

KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Monthly Budget Report for July 2026/27







Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 September 2009

Table of Contents

GLOSSARY 3
LEGISLATIVE FRAMEWORK 6
Report of the Executive Julyor 6
Recommendations 7
SECTION 1 – EXECUTIVE SUMMARY 8
1.1 INTRODUCTION 8
1.2 CONSOLIDATED PERFORMANCE 8
1.3 MATERIAL DIFFERENCES TO THE SDBIP 9
1.4 REMEDIAL ACTIONS 9
SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES 10
2.1 TABLE C1 – MONTHLY BUDGET SUMMARY 10
2.2 TABLE C2 – MONTHLY BUDGETED FINANCIAL PERFORMANCE 11
2.3 TABLE C3 – MONTHLY BUDGETED FINANCIAL PERFORMANCE 12
2.4 TABLE C4 – MONTHLY FINANCIAL PERFROMANCE 13
2.5 OPERATING REVENUE BY SOURCES: 14
2.6 OPERATING EXPENDITURE BY TYPE 14
2.7 TABLE C5 – MONTHLY BUDGETED CAPITAL EXPENDITURE 15
2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION 16
2.9 TABLE C7 – MONTHLY BUDGETED CASH FLOW 17
SECTION 3 SUPPORTING DOCUMENTATION 18
3.1 TABLE SC3 – DEBTORS AGE ANALYSIS 18
3.3 TABLE SC4 – CREDITORS AGE ANALYSIS 19
3.4 INVESTMENT PORTFOLIO ANALYSIS 20
3.6 TABLE SC8 – EXPENDITURE ON COUNCILLOR, SENIOR MANAGERS AND OTHER STAFF 21
SECTION 4 – IMPLEMENTATION OF THE BUDGET FUNDING PLAN ..... **Error! Bookmark not defined.**
SECTION 5 – PROGRESS ON MUNICIPAL DEBT RELIEF 23
SECTION 6 – QUALITY CERTIFICATION 47

GLOSSARY

Adjustment's budget - Prescribed in section 28 of the MFMA. The formal means by which a municipality July revise its annual budget during the year.

Allocations - Money received from Provincial or National Government or other municipalities.

Approved budget - means an annual budget—

a) approved by a municipal council; or
b) approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28;

Budget - The financial plan of the Municipality.

Budget related policy - Policy of a municipality affecting or affected by the budget, examples include the Tariff Policy, Property Rates Policy, Customer Care, Credit Control and Debt Collection Policy etc.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – summarizes the amount of cash and cash equivalents entering and leaving the municipality. The cash flow statement measures how well the municipality manages its cash position. It should be noted that there could be a difference between the timing of the actual cash flow compared to the recognition of expenditure. For example, when an invoice is received by the Municipality it is recognised as expenditure in the month it is dated, even though it July not be paid within the same month.

DORA - Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share - A general unconditional grant paid to municipalities. It is predominantly targeted to subsidise the delivery of free basic services.

Fruitless and wasteful expenditure - Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS - Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP - Generally Recognised Accounting Practice. The standard for municipal accounting.

IDP - Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR - Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA - Local Government: Municipal Finance Management Act (56/2003). The principal piece of legislation relating to municipal financial management. From here on to be referred to as the Act.

MTREF - Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two outer year budget allocations. Also includes details of the previous and current year's financial position.

Operating expenditure - Spending on the day-to-day expenses of the Municipality such as salaries and wages. It provides a short-term benefit, normally less than a year.

Rates - Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP - Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives - The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure - in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

a) overspending of the total amount appropriated in the municipality's approved budget;

b) overspending of the total amount appropriated for a vote in the approved budget; Unauthorised expenditure refers to expenditure that municipalities incurred without provision having been made for it in the budget approved by the council or which does not meet the conditions of a grant.

Virement - A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote - One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

LEGISLATIVE FRAMEWORK

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium-term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Sections 71 & 52,
- and The Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements.
28. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

Report of the Executive Mayor

In -Year Report – Monthly Budget Statement

The monthly budget statement for July 2026, has been prepared in terms of the Municipal Budget and Reporting Regulations (2009) and the Municipal Finance Management Act 56 of 2003.

a) The budget of the municipality has been implemented in terms of the Service Delivery Budget Implementation Plan (SDBIP). Details on the implementation and any material deviations from the SDBIP will be covered under Section 10 of this document.

Cash flow has and will for the foreseeable future be a problem. In the short-term Kannaland Municipality has done well to meet the most pressing commitments such as employee related cost and achieving service delivery requirements. The municipality still experiences cash flow

challenges due to constrained resources. A Budget Funding Plan has been approved and will be implemented to mitigate risk.

Executive Mayor

Recommendations

That the Council takes cognisance of the monthly budget statement for July 2026.

That the Council takes cognisance of the Eskom Debt Relief Report for July 2026.

SECTION 1 – EXECUTIVE SUMMARY

1.1 INTRODUCTION

The Municipal Manager, as Accounting Officer of the Municipality, is required by Section 71(1) of the Municipal Finance Management Act to submit a monthly report in a prescribed format to the July or, within 10 working days after the end of each month, on the implementation of the Municipality's budget. The format and contents of the monthly budget report comply with the requirements as set out within the Municipal Budget and Reporting Regulations of 2009.

The report will be made available to the public on the municipal website at www.kannaland.gov.za

1.2 CONSOLIDATED PERFORMANCE

The performance against the budget can be summarized as follow:

Amount in thousands	Amended Budget	YTD Budget	Monthly Actual	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 283 532	R23 628	R 35 445	R 35 445	R 11 817	50%
Operating Expenditure	R 266 963	R 22 247	R 10 538	R 10 538	R (11 709)	-53%
Capital	R20 913	R 1 743	R0	R 0	R (1 743)	-100%

Refer to Table C4 for more detail on operating revenue & expenditure.

Operational Revenue

The municipality's total operational revenue budget amounts to 284 million and the year-to-date revenue on the budget accrued to 35.4 million. This represents 13% of the YTD variance for total revenue.

Operational Expenditure

The municipality's total operational expenditure budget amounts to R267 million, with a year-to-date performance of R10.5 million, or 4% of the YTD variance for total expenditure budget.

Capital Expenditure

The total capital budget for the municipality amounts to R21 million with a year-to-date performance of R 0 million, or -100% of the total capital budget.

Operating Surplus/Deficit

The variances for operating revenue amounted to R35.45 million exceeding budget, and expenditure amounting to R 10.54 million below budget, with a surplus of R 24.9 million for the month under review. This performance is to be noted against an unfunded budget.

1.3 MATERIAL DIFFERENCES TO THE SDBIP

Material differences to the SDBIP will be discussed under section 10 and in more detail within Appendix C.

1.4 REMEDIAL ACTIONS

(a) Directorates are to ensure that the budget is being implemented in accordance with the Service Delivery and Budget Implementation Plan of the Municipality;
(b) That, strategic decisions / resolutions to improve the capital expenditure, be implemented; communicating with the technical department on spending of capital budget;
(c) Monthly monitoring of the implementation of the Budget Funding Plan;
(d) That measures on debt collection are implemented and applied effectively;
(e) A procurement plan be developed and approved as a matter of urgency;
(f) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES

2.1 TABLE C1 – MONTHLY BUDGET SUMMARY

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - M01 July

Description	2025/26	Budget Year 2026/27							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Financial Performance									
Property rates	30 113	39 180	39 180	2 797	2 797	3 265	(468)	-14%	39 180
Service charges	144 151	173 855	173 855	13 738	13 738	14 488	(750)	-5%	173 855
Investment revenue	1 570	1 600	1 600	106	106	133	(28)	-21%	1 600
Transfers and subsidies - Operational	50 112	49 078	49 078	16 975	16 975	4 090	12 885	315%	49 078
Other own revenue	34 420	19 820	19 820	1 830	1 830	1 652	178	11%	19 820
Total Revenue (excluding capital transfers and contributions)	260 365	**283 532**	**283 532**	**35 445**	**35 445**	**23 628**	**11 817**	**50%**	**283 532**
Employee costs	105 234	94 858	94 858	8 207	8 207	7 905	302	4%	94 858
Remuneration of Councillors	4 074	4 713	4 713	299	299	393	(93)	-24%	4 713
Depreciation, amortisation and impairment	37 034	18 532	18 532	1 544	1 544	1 544	0	0%	18 532
Interest, Dividends and Rent on Land	13 813	1 135	1 135	0	0	95	(94)	-100%	1 135
Inventory consumed and bulk purchases	83 774	91 055	91 055	(554)	(554)	7 588	(8 142)	-107%	91 055
Transfers and subsidies	240	590	590	–	–	49	(49)	-100%	590
Other expenditure	81 293	56 080	56 080	1 041	1 041	4 673	(3 632)	-78%	56 080
Total Expenditure	325 462	**266 963**	**266 963**	**10 538**	**10 538**	**22 247**	**(11 709)**	**-53%**	**266 963**
Surplus/(Deficit)	(65 097)	**16 569**	**16 569**	**24 907**	**24 907**	**1 381**	**23 526**	**1704%**	**16 569**
Transfers and subsidies - capital (monetary allocations)	22 707	24 050	24 050	–	–	2 004	(2 004)	-100%	24 050
Transfers and subsidies - capital (in-kind)	102	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(42 288)	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**	**21 522**	**636%**	**40 620**
Income Tax	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after Income Tax	(42 288)	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**	**21 522**	**636%**	**40 620**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(42 288)	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**	**21 522**	**636%**	**40 620**
Capital expenditure & funds sources									
Capital expenditure	20 867	**20 913**	**20 913**	**–**	**–**	**1 743**	**(1 743)**	**-100%**	**20 913**
Capital transfers recognised	20 589	20 913	20 913	–	–	1 743	(1 743)	-100%	20 913
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	189	–	–	–	–	–	–	–	–
Total sources of capital funds	20 778	**20 913**	**20 913**	**–**	**–**	**1 743**	**(1 743)**	**-100%**	**20 913**
Financial position									
Total current assets	147 439	244 082	244 082		152 621				94 724
Total non current assets	378 943	348 604	348 604		375 406				367 136
Total current liabilities	211 308	235 121	235 121		196 934				23 515
Total non current liabilities	35 438	63 622	63 622		52 463				63 622
Community wealth/Equity	255 878	293 944	293 944		278 629				253 324
Cash flows									
Net cash from (used) operating	137 947	47 709	47 709	16 830	16 830	11 269	(5 561)	-49%	261 416
Net cash from (used) investing	(16 299)	(24 050)	(24 050)	512	512	–	(512)	–	24 050
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	**193 660**	**38 967**	**38 967**	**–**	**104 652**	**26 578**	**(78 074)**	**-294%**	**372 777**
Debtors & creditors analysis	**0 - 30 Days**	**31 - 60 Days**	**61 - 90 Days**	**91 - 120 Days**	**121 - 150 Days**	**151 - 180 Days**	**181 Days - 1 Year**	**Over 1 Year**	**Total**
Debtors Age Analysis									
Total By Income Source	3 450	4 187	4 089	4 464	4 196	4 107	21 695	167 282	213 470
Creditors Age Analysis									
Total Creditors	12 421	8 657	5 276	40 899	77 649	–	–	–	144 903

2.2 TABLE C2 – MONTHLY BUDGETED FINANCIAL PERFORMANCE
(Functional Classification)

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**81 642**	**63 025**	**63 025**	**20 040**	**20 040**	**5 252**	14 788	282%	**63 025**
Executive and council		39 063	8 348	8 348	16 697	16 697	696	16 001	2300%	8 348
Finance and administration		42 579	54 677	54 677	3 343	3 343	4 556	(1 213)	-27%	54 677
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**24 270**	**17 306**	**17 306**	**237**	**237**	**1 442**	(1 205)	-84%	**17 306**
Community and social services		22 405	16 994	16 994	237	237	1 416	(1 179)	-83%	16 994
Sport and recreation		34	62	62	–	–	5	(5)	-100%	62
Public safety		2	250	250	–	–	21	(21)	-100%	250
Housing		1 829	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**16 325**	**3 589**	**3 589**	**358**	**358**	**299**	59	20%	**3 589**
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		16 325	3 589	3 589	358	358	299	59	20%	3 589
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**160 937**	**223 662**	**223 662**	**14 809**	**14 809**	**18 639**	(3 829)	-21%	**223 662**
Energy sources		93 052	126 176	126 176	9 676	9 676	10 515	(839)	-8%	126 176
Water management		39 605	55 787	55 787	2 580	2 580	4 649	(2 069)	-45%	55 787
Waste water management		14 335	20 544	20 544	1 301	1 301	1 712	(411)	-24%	20 544
Waste management		13 945	21 155	21 155	1 252	1 252	1 763	(511)	-29%	21 155
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**283 174**	**307 582**	**307 582**	**35 445**	**35 445**	**25 632**	**9 813**	**38%**	**307 582**
Expenditure - Functional										
Governance and administration		**129 637**	**97 931**	**97 931**	**5 940**	**5 940**	**8 161**	(2 221)	-27%	**97 931**
Executive and council		30 462	29 178	29 178	1 871	1 871	2 432	(561)	-23%	29 178
Finance and administration		99 175	68 752	68 752	4 069	4 069	5 729	(1 660)	-29%	68 752
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**15 754**	**16 583**	**16 583**	**787**	**787**	**1 382**	(595)	-43%	**16 583**
Community and social services		10 718	13 315	13 315	555	555	1 110	(555)	-50%	13 315
Sport and recreation		1 338	1 599	1 599	91	91	133	(42)	-31%	1 599
Public safety		445	385	385	29	29	32	(4)	-11%	385
Housing		3 253	1 285	1 285	113	113	107	6	5%	1 285
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**28 026**	**17 119**	**17 119**	**1 467**	**1 467**	**1 427**	41	3%	**17 119**
Planning and development		191	–	–	–	–	–	–	–	–
Road transport		27 834	17 119	17 119	1 467	1 467	1 427	41	3%	17 119
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**152 046**	**135 329**	**135 329**	**2 344**	**2 344**	**11 277**	(8 933)	-79%	**135 329**
Energy sources		89 596	93 911	93 911	263	263	7 826	(7 563)	-97%	93 911
Water management		33 556	18 727	18 727	813	813	1 561	(748)	-48%	18 727
Waste water management		14 883	10 411	10 411	571	571	868	(296)	-34%	10 411
Waste management		14 011	12 280	12 280	697	697	1 023	(327)	-32%	12 280
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**325 462**	**266 963**	**266 963**	**10 538**	**10 538**	**22 247**	**(11 709)**	**-53%**	**266 963**
Surplus/ (Deficit) for the year		**(42 288)**	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**	**21 522**	**636%**	**40 620**

2.3 TABLE C3 – MONTHLY BUDGETED FINANCIAL PERFORMANCE
(Revenue & Expenditure by Municipal Vote)

WC041 Kannaland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

Vote Description R thousands	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		39 563	8 348	8 348	16 697	16 697	696	16 001	2300%	8 348
Vote 2 - CORPORATE SERVICES		39 244	19 564	19 564	558	558	1 630	(1 072)	-66%	19 564
Vote 3 - FINANCIAL SERVICES		41 493	54 083	54 083	3 334	3 334	4 507	(1 173)	-26%	54 083
Vote 4 - TECHNICAL SERVICES		162 874	225 587	225 587	14 856	14 856	18 799	(3 943)	-21%	225 587
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**283 174**	**307 582**	**307 582**	**35 445**	**35 445**	**25 632**	**9 813**	**38%**	**307 582**
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		30 462	29 178	29 178	1 871	1 871	2 432	(561)	-23%	29 178
Vote 2 - CORPORATE SERVICES		64 545	42 997	42 997	3 479	3 479	3 583	(104)	-3%	42 997
Vote 3 - FINANCIAL SERVICES		63 168	44 029	44 029	1 807	1 807	3 669	(1 862)	-51%	44 029
Vote 4 - TECHNICAL SERVICES		166 172	150 030	150 030	3 369	3 369	12 502	(9 134)	-73%	150 030
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		1 116	728	728	13	13	61	(48)	-79%	728
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**325 462**	**266 963**	**266 963**	**10 538**	**10 538**	**22 247**	**(11 709)**	**-53%**	**266 963**
Surplus/ (Deficit) for the year	2	**(42 288)**	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**	**21 522**	**636%**	**40 620**

2.4 TABLE C4 – MONTHLY FINANCIAL PERFROMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		92 627	119 362	119 362	9 645	9 645	9 947	(302)	-3%	119 362
Service charges - Water		29 736	32 118	32 118	2 146	2 146	2 676	(531)	-20%	32 118
Service charges - Waste Water Management		10 994	11 020	11 020	991	991	918	73	8%	11 020
Service charges - Waste management		10 794	11 354	11 354	956	956	946	10	1%	11 354
Sale of Goods and Rendering of Services		367	519	519	36	36	43	(8)	-18%	519
Agency services		1 400	1 504	1 504	81	81	125	(44)	-35%	1 504
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		10 499	11 449	11 449	1 019	1 019	954	65	7%	11 449
Interest earned from Current and Non Current Assets		1 570	1 600	1 600	106	106	133	(28)	-21%	1 600
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		753	767	767	66	66	64	3	4%	767
Licence and permits		150	244	244	12	12	20	(8)	-40%	244
Special rating levies		–	–	–	–	–	–	–	–	–
Construction Contract Revenue		–	–	–	–	–	–	–	–	–
Development Charges		–	–	–	–	–	–	–	–	–
Operational Revenue		328	345	345	24	24	29	(5)	-18%	345
Non-Exchange Revenue									–	
Property rates		30 113	39 180	39 180	2 797	2 797	3 265	(468)	-14%	39 180
Surcharges and Taxes		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		14 210	1 292	1 292	218	218	108	111	103%	1 292
Licences or permits		2	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		50 112	49 078	49 078	16 975	16 975	4 090	12 885	315%	49 078
Interest		3 414	3 700	3 700	309	309	308	1	0%	3 700
Fuel Levy		–	–	–	–	–	–	–	–	–
Operational Revenue		740	–	–	64	64	–	64	–	–
Gains on disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–
Other Gains		2 557	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**260 365**	**283 532**	**283 532**	**35 445**	**35 445**	**23 628**	**11 817**	**50%**	**283 532**
Expenditure										
Employee related costs		105 234	94 858	94 858	8 207	8 207	7 905	302	4%	94 858
Remuneration of councillors		4 074	4 713	4 713	299	299	393	(93)	-24%	4 713
Bulk purchases - electricity		79 594	84 407	84 407	(554)	(554)	7 034	(7 588)	-108%	84 407
Inventory consumed		4 180	6 648	6 648	–	–	554	(554)	-100%	6 648
Debt impairment		40 814	21 343	21 343	–	–	1 779	(1 779)	-100%	21 343
Depreciation, amortisation and impairment		37 034	18 532	18 532	1 544	1 544	1 544	0	0%	18 532
Interest, Dividends and Rent on Land		13 813	1 135	1 135	0	0	95	(94)	-100%	1 135
Contracted services		22 566	14 034	14 034	20	20	1 170	(1 149)	-98%	14 034
Transfers and subsidies		240	590	590	–	–	49	(49)	-100%	590
Irrecoverable debts written off		504	175	175	80	80	15	65	447%	175
Operational costs		10 488	20 529	20 529	941	941	1 711	(770)	-45%	20 529
Disposal of Fixed and Intangible Assets		6 606	–	–	–	–	–	–	–	–
Other Losses		315	–	–	–	–	–	–	–	–
Total Expenditure		**325 462**	**266 963**	**266 963**	**10 538**	**10 538**	**22 247**	**(11 709)**	**-53%**	**266 963**
Surplus/(Deficit)		**(65 097)**	**16 569**	**16 569**	**24 907**	**24 907**	**1 381**	**23 526**	**1704%**	**16 569**
Transfers and subsidies - capital (monetary allocations)		22 707	24 050	24 050	–	–	2 004	(2 004)	**-100%**	24 050
Transfers and subsidies - capital (in-kind)		102	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(42 288)**	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**			**40 620**
Income Tax		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**(42 288)**	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**			**40 620**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(42 288)**	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**			**40 620**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/(Deficit) for the year		**(42 288)**	**40 620**	**40 620**	**24 907**	**24 907**	**3 385**			**40 620**

Due to the cyclical nature of the economy and the current straight-line approach to budgeting, all deviations in excess of 5% will be treated as material unless otherwise stated. Material deviations will be explained, and recommendations will be made if the extent and nature of the deviation July necessitate action.

It should be noted that the straight-line budget approach will be addressed and adjusted to reflect the cyclical nature of the economy as soon as possible. It should be noted that grants to be received, are accounted for correctly. A costly seamlessly integrated financial accounting system, as required in terms of mSCOA, will take time to implement due to financial constraints.

2.5 OPERATING REVENUE BY SOURCES:

The performance against the revenue budget can be explained as follow:

- **Service Charges – Water** amounts to R 2.1 million for **July 2026** and R 2. million YTD which represents **-20%** variance to the budget.
- **Sale of Goods and Rendering of Services** – amounts to R47 thousand for **July 2026** and R 36 thousand YTD which represents **-18%** variance to the budget.
- **Licence and permits**- -**40%** YTD variance from the budget.
- **Fines, Penalties & Forfeits** – with a **103%** YTD variance, vendor appointed to provide cameras and administrative support on speed fines.
- **Other Revenue Deviations** - Can be explained as incidental and cyclical in nature**.**

2.6 OPERATING EXPENDITURE BY TYPE

- **Bulk Purchases- electricity-** amounted to R -554 thousand in **July 2026** a -108% variance to the budget. Bulk electricity will be corrected in the month of August.
- **Contracted Services** – amounted to R 20 thousand in **July 2026** and R 20 thousand million YTD represents a -98% variance to the budget.
- **Other Expenditure** - amounted to R 941 thousand in **July 2026.**

Most expenditure items were less than forecasted and this is due to the lack of recognition of expenditure once incurred, in addition to cash flow issues that results in the municipality only spending in terms of available revenue. The Municipality is still busy implementing expenditure on the accrual basis, expenses has been recognized when paid. This process will be corrected in the next view months.

2.7 TABLE C5 – MONTHLY BUDGETED CAPITAL EXPENDITURE

WC041 Kannaland - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July										
Vote Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Multi-year expenditure to be appropriated	2									
Vote 1 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
Vote 2 - CORPORATE SERVICES		–	–	–	–	–	–	–	–	–
Vote 3 - FINANCIAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 4 - TECHNICAL SERVICES		20 579	13 957	13 957	–	–	1 163	(1 163)	-100%	13 957
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	4,7	**20 579**	**13 957**	**13 957**	**–**	**–**	**1 163**	**(1 163)**	**-100%**	**13 957**
Single-year expenditure to be appropriated	2									
Vote 1 - MUNICIPAL MANAGER		112	–	–	–	–	–	–	–	–
Vote 2 - CORPORATE SERVICES		118	–	–	–	–	–	–	–	–
Vote 3 - FINANCIAL SERVICES		58	–	–	–	–	–	–	–	–
Vote 4 - TECHNICAL SERVICES		–	6 957	6 957	–	–	580	(580)	-100%	6 957
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	4	288	6 957	6 957	–	–	580	**(580)**	**-100%**	6 957
Total Capital Expenditure - Vote	**3**	**20 867**	**20 913**	**20 913**	**–**	**–**	**1 743**	**(1 743)**	**-100%**	**20 913**
Capital Expenditure - Functional										
Governance and administration		**199**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Executive and council		112	–	–	–	–	–	–	–	–
Finance and administration		87	–	–	–	–	–	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**89**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Community and social services		89	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**14**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		14	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**20 565**	**20 913**	**20 913**	**–**	**–**	**1 743**	(1 743)	-100%	**20 913**
Energy sources		–	–	–	–	–	–	–	–	–
Water management		4 313	11 304	11 304	–	–	942	(942)	-100%	11 304
Waste water management		16 252	9 609	9 609	–	–	801	(801)	-100%	9 609
Waste management		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**20 867**	**20 913**	**20 913**	**–**	**–**	**1 743**	**(1 743)**	**-100%**	**20 913**
Funded by:										
National Government		16 252	16 566	16 566	–	–	1 380	(1 380)	-100%	16 566
Provincial Government		4 337	4 348	4 348	–	–	362	(362)	-100%	4 348
District Municipality		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		**20 589**	**20 913**	**20 913**	**–**	**–**	**1 743**	**(1 743)**	**-100%**	**20 913**
Public contributions & donations		–	–	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		189	–	–	–	–	–	–	–	–
Total Capital Funding	7	**20 778**	**20 913**	**20 913**	**–**	**–**	**1 743**	**(1 743)**	**-100%**	**20 913**

CAPITAL EXPENDITURE

- amounted to **R 0** in **July 2026** and **R 0 million YTD** which represents a -100**%** variance to the budget**.**

2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - M01 July						
Description	Ref	2025/26	Budget Year 2026/27			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		23 365	24 703	24 703	40 031	15 309
Short term Investments		–	–	–	–	–
Trade and other receivables from exchange transactions		66 029	167 637	167 637	74 524	33 797
Receivables from non-exchange transactions		42 928	21 523	21 523	43 769	(10 880)
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 115	1 249	1 249	2 169	7 897
VAT Receivable		13 201	28 465	28 465	(7 747)	48 095
Other current assets		(198)	505	505	(126)	505
Total current assets		**147 439**	**244 082**	**244 082**	**152 621**	**94 724**
Non current assets						
Investments		–	–	–	–	–
Investment property		24 433	1 219	1 219	24 433	1 219
Property, plant and equipment		354 504	347 383	347 383	350 968	365 913
Biological assets		–	–	–	–	–
Living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		6	2	2	6	4
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**378 943**	**348 604**	**348 604**	**375 406**	**367 136**
TOTAL ASSETS		**526 382**	**592 687**	**592 687**	**528 027**	**461 859**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 679	1 701	1 701	1 682	1 701
Trade and other payables from exchange transactions		169 828	149 393	149 393	159 981	(110 232)
Trade and other payables from non-exchange transactions		16 021	29 245	29 245	24 306	61 711
Provision		9 407	21 818	21 818	9 443	21 818
VAT Payable		14 372	32 962	32 962	1 301	48 516
Other current liabilities		–	–	–	221	–
Total current liabilities		**211 308**	**235 121**	**235 121**	**196 934**	**23 515**
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		35 878	35 286	35 286	35 082	35 286
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		(440)	28 336	28 336	17 381	28 336
Total non current liabilities		**35 438**	**63 622**	**63 622**	**52 463**	**63 622**
TOTAL LIABILITIES		**246 746**	**298 743**	**298 743**	**249 398**	**87 137**
NET ASSETS	2	**279 636**	**293 944**	**293 944**	**278 629**	**374 723**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		255 417	293 482	293 482	278 168	252 862
Reserves and funds		462	462	462	462	462
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**255 878**	**293 944**	**293 944**	**278 629**	**253 324**

2.9 TABLE C7 – MONTHLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - M01 July										
Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1									
Receipts										
Property rates		20 782	27 303	27 303	1 801	1 801	2 275	(474)	-21%	27 303
Service charges		104 866	151 538	151 538	6 213	6 213	28 821	(22 608)	-78%	151 538
Other revenue		10 888	26 817	26 817	665	665	2 235	(1 569)	-70%	26 817
Transfers and Subsidies - Operational		49 214	49 078	49 078	16 697	16 697	4 090	12 607	308%	49 078
Transfers and Subsidies - Capital		24 433	24 050	24 050	8 662	8 662	2 004	6 658	332%	24 050
Interest		–	2 899	2 899	–	–	242	(242)	-100%	2 899
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(72 236)	(232 252)	(232 252)	(17 208)	(17 208)	(28 262)	(11 054)	39%	(18 545)
Finance charges		–	(1 135)	(1 135)	–	–	(95)	(95)	100%	(1 135)
Transfers and Subsidies		–	(590)	(590)	–	–	(41)	(41)	100%	(590)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**137 947**	**47 709**	**47 709**	**16 830**	**16 830**	**11 269**	**(5 561)**	**-49%**	**261 416**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables										
Decrease (increase) in non-current investments										
Insurance Refund - Capital		–	–	–	–	–	–	–	–	–
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments		–	–	–	–	–	–	–	–	–
Payments										
Capital assets		(14 952)	(24 050)	(24 050)	–	–	–	–	–	24 050
Retention (Capital)		(1 347)	–	–	512	512	–	(512)	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(16 299)**	**(24 050)**	**(24 050)**	**512**	**512**	**–**	**(512)**	**–**	**24 050**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**121 649**	**23 659**	**23 659**	**17 342**	**17 342**	**11 269**			**285 467**
Cash/cash equivalents at the year begin:		**72 011**	**15 309**	**15 309**		**87 310**	**15 309**			**87 310**
Cash/cash equivalents at the year end:		**193 660**	**38 967**	**38 967**		**104 652**	**26 578**			**372 777**

The total bank balance ending of **July 2026** were as follow;

- Standard Bank Main Account is **R 460 thousand;**
- The Traffic Account has **R 2.2 million;**
- Deposit Account has **R 5.1 million**;
- Call Account has **R 17.8 million**; and
- Eskom Bulk Account has **R 3 thousand.**

SECTION 3 SUPPORTING DOCUMENTATION

3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC2 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2026/27											
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1 689	982	1 358	2 121	1 860	1 763	8 538	32 921	51 232	47 203	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 859	524	384	171	123	252	579	1 900	5 793	3 025	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	2 373	1 157	904	754	697	647	3 300	29 328	39 160	34 727	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	513	453	440	434	434	434	2 639	19 988	25 334	23 928	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 040	738	687	666	664	657	3 976	28 695	37 124	34 659	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	0	0	0	–	–
Interest on Arrear Debtor Accounts	1810	–	36	69	110	135	133	1 389	48 212	50 084	49 979	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	(4 024)	297	246	208	283	220	1 274	6 237	4 743	8 223	–	–
Total By Income Source	**2000**	**3 450**	**4 187**	**4 089**	**4 464**	**4 196**	**4 107**	**21 695**	**167 282**	**213 470**	**201 745**	**–**	**–**
2025/26 - totals only										–	**–**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	30	427	271	165	101	126	243	407	1 770	1 042	–	–
Commercial	2300	(371)	405	331	230	368	239	1 073	6 912	9 188	8 823	–	–
Households	2400	3 956	3 201	3 341	3 927	3 580	3 595	19 549	146 521	187 669	177 172	–	–
Other	2500	(164)	154	145	142	147	147	830	13 442	14 843	14 708	–	–
Total By Customer Group	**2600**	**3 450**	**4 187**	**4 089**	**4 464**	**4 196**	**4 107**	**21 695**	**167 282**	**213 470**	**201 745**	**–**	**–**

The total amount owed to Kannaland Municipality amounted to **R 213.5 million** at the end of **July 2026**.

- **R169.3 million or 78.4%** of the total outstanding debtors are older than one year.
- **R201.7 million or 94.5%** of the outstanding debtors are outstanding for more than 90 days and are less likely to be recoverable debt.

The biggest concern regarding debt collection in Kannaland Municipality is the ability to collect service charges for water, refuse and sewerage in areas where electricity is not supplied by the municipality. Pre-paid electricity remains the most effective form of credit control.

3.3 TABLE SC4 – CREDITORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description R thousands	NT Code	Budget Year 2026/27								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	9 960	7 954	5 362	7 554	77 649	–	–	–	**108 478**
Bulk Water	0200	–	–	–	–	–	–	–	–	**–**
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**
VAT (output less input)	0400	–	–	–	–	–	–	–	–	**–**
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**
Trade Creditors	0700	544	491	47	1 057	–	–	–	–	**2 140**
Auditor General	0800	393	290	198	20 658	–	–	–	–	**21 539**
Other	0900	1 525	(78)	(331)	11 630	–	–	–	–	**12 746**
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	**–**
Total By Customer Type	**1000**	**12 421**	**8 657**	**5 276**	**40 899**	**77 649**	**–**	**–**	**–**	**144 903**

- The total outstanding creditors as at the end of **July 2026** amounts to **R 144.9 million**.

The old debt, +90days, consist mainly of the following:

- ESKOM = R108 million, of which the entire amount is conditionally written off. The other R36.6 million is mainly made up of Creditors with payment arrangements, being AG, SALGA, SAMRAS, Collaborator consist of R34 million and further Municipal debt owed by Kannaland municipality to neighbouring municipalities amount to R2 million.

- All other creditors 0-90 days are managed and paid on a month-to-month payment plan, for finalisation in the 2026-2027 FY.

3.4 INVESTMENT PORTFOLIO ANALYSIS

- The municipality has no long-term debt obligations and any investments other than call account investments.

2026/07/31				
	Original Budget	**Total Received**	**Total Spent**	**Unspent**
Grant Name	Amount			
Provincial Government	**R 9 181 000,00**	**R -**	**R 231 341,12**	**-R 231 341,12**
Housing				
Human Settlement Grant				R -
Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure				R -
Title Deeds Restoration Grant				
Fire Services	R 250 000,00			R -
Lib Replacement: Vulnerable Mun	R 3 813 000,00		R 231 341,12	-R 231 341,12
Municipal Water Resilience Grant	R 5 000 000,00			R -
Comm Dev Workers	R 118 000,00			R 118 000,00
National Government Grants	**R 63 947 000,00**	**R 25 359 000,00**	**R 46 322,37**	**R 25 312 677,63**
Equitable Share	R 40 072 000,00	R 16 697 000,00		
FMG (Audit)	R 2 900 000,00			R -
Mun Infrastructure Grant	R 11 050 400,00	R 7 080 400,00		R 7 080 400,00
Mun Infrastructure Grant	R 581 600,00	R 581 600,00	R 46 322,37	R 535 277,63
EPWP	R 1 343 000,00			R -
INEP				R -
INEP (Eskom)				R -
WSIG	R 8 000 000,00	R 1 000 000,00	R -	R 1 000 000,00

3.5 GRANT RECEIPTS AND EXPENDITURE

The following indicates expenditure on each respective grant received (Operational) and (Capital) for July 2026 –

National Treasury

Expenditure:

- Municipal Infrastructure Grant PMU amounts to **R46 thousand.**

Provincial Treasury

Expenditure:

- Libraries Grant amounts to **R231 thousand**

3.6 TABLE SC8 – EXPENDITURE ON COUNCILLOR, SENIOR MANAGERS AND OTHER STAFF

Please take note of table refer to attached C-schedule SC22

WC041 Kannaland - Supporting Table SC22 Monthly Budget Statement - Summary councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration	Ref	2026/27	Budget Year 2026/27							
R thousand	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Basic Salary		3 276	4 222	4 222	240	240	352	(112)	-32%	4 222
Cell phone Allowance		300	491	491	25	25	41	(16)	-39%	491
Housing Allowance		–	–	–	–	–	–	–	–	–
In-kind Benefits		–	–	–	–	–	–	–	–	–
Market Related Non-pensionable Allowance		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		276	–	–	34	34	–	34	–	–
Office-bearer Allowance		–	–	–	–	–	–	–	–	–
Out of pocket Expenses		–	–	–	–	–	–	–	–	–
Travelling Allowance		–	–	–	–	–	–	–	–	–
Use of Personal Facilities		–	–	–	–	–	–	–	–	–
Total Allowances and Service Related Benefits		3 852	4 713	4 713	299	299	393	(93)	-24%	4 713
Social Contributions										
Medical Aid Benefits		87	–	–	–	–	–	–	–	–
Pension Fund Contributions		135	–	–	–	–	–	–	–	–
Total Social Contributions		222	–	–	–	–	–	–	–	–
Total Councillors		4 074	4 713	4 713	299	299	393	(93)	-24%	4 713
% increase	4		15,7%	–						–
Senior Managers of the Municipality	2									
Salaries and Allowances										
Basic Salary		4 883	5 406	5 406	780	780	450	330	73%	5 406
Bonuses		–	–	–	–	–	–	–	–	–
Allowance										
Accommodation, Travel and Incidental		84	–	–	6	6	–	6	–	–
Cellular and Telephone	3	48	155	155	5	5	13	(8)	-68%	155
Housing Benefits	3	–	–	–	–	–	–	–	–	–
Non-pensionable		–	–	–	–	–	–	–	–	–
Travel or Motor Vehicle	3	599	707	707	65	65	59	6	10%	707
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		701	862	862	75	75	72	3	5%	862
Service Related Benefits										
Acting	3	–	–	–	–	–	–	–	–	–
Bonus	3	–	–	–	–	–	–	–	–	–
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	–	–	–	–	–	–	–	–	–
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Scarcity	3	–	–	–	–	–	–	–	–	–
Standby Allowance	3	–	–	–	–	–	–	–	–	–
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	–	–	–
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		–	–	–	–	–	–	–	–	–
Total Salaries and Allowances		5 354	6 268	6 268	855	855	522	333	64%	6 268
Social Contributions										
Bargaining Council		0	2	2	0	0	0	(0)	-93%	2
Group Life Insurance		–	85	85	–	–	7	(7)	–	85
Medical		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Unemployment Insurance		7	7	7	1	1	1	0	17%	7
Total Social Contributions		7	94	94	1	1	8	(7)	-92%	94
Post-retirement Benefit	6									
Medical		–	–	–	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Total Post-retirement Benefit										
Costs Capitalised to PPE		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		5 361	6 362	6 362	856	856	530	326	61%	6 362
% increase	4		14,4%	–						–
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		70 822	63 822	63 822	5 638	5 638	5 319	319	6%	63 822
Bonuses		584	660	660	–	–	55	(55)	–	660
Allowance										
Accommodation, Travel and Incidental		(69)	80	80	–	–	7	(7)	–	80
Cellular and Telephone	3	122	146	146	8	8	12	(4)	-30%	146
Housing Benefits	3	231	503	503	19	19	42	(23)	-54%	503
Non-pensionable		–	–	–	–	–	–	–	–	–
Travel or Motor Vehicle	3	3 428	4 682	4 682	251	251	390	(139)	-36%	4 682
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		3 722	5 411	5 411	279	279	451	(172)	-38%	5 411
Service Related Benefits										
Acting	3	786	1 175	1 175	29	29	98	(69)	-70%	1 175
Bonus	3	3 380	3 566	3 566	40	40	297	(257)	-87%	3 566
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	747	150	150	93	93	13	80	642%	150
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		240	–	–	–	–	–	–	–	–
Overtime		3 529	1 908	1 908	109	109	159	(50)	-31%	1 908
Scarcity	3	–	–	–	–	–	–	–	–	–
Standby Allowance	3	5 519	2 287	2 287	271	271	189	82	43%	2 287
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	–	–	–
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		14 210	9 085	9 085	542	542	755	(214)	-28%	9 085
Total Salaries and Allowances		89 038	78 958	78 958	6 439	6 439	6 580	(122)	-2%	78 958
Social Contributions										
Bargaining Council		19	18	18	1	1	2	(0)	-12%	18
Group Life Insurance		142	93	93	13	13	8	5	63%	93
Medical		1 949	2 043	2 043	205	205	170	35	20%	2 043
Pension		7 308	6 815	6 815	632	632	568	65	11%	6 815
Unemployment Insurance		474	869	869	42	42	47	(6)	-12%	869
Total Social Contributions		9 892	9 838	9 838	893	893	795	98	12%	9 838
Post-retirement Benefit	6									
Medical		742	–	–	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Total Post-retirement Benefit		742	–	–	–	–	–	–	–	–
Costs Capitalised to PPE		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		99 673	88 496	88 496	7 351	7 351	7 375	(24)	-0%	88 496
% increase	4		(11,2%)	–						–
Total Parent Municipality		109 308	99 571	99 571	8 506	8 506	8 298	209	3%	99 571
Board Members of Entities										
Salaries and Allowances										
Basic Salary		–	–	–	–	–	–	–	–	–
Bonuses		–	–	–	–	–	–	–	–	–
Allowance										
Accommodation, Travel and Incidental		–	–	–	–	–	–	–	–	–
Cellular and Telephone	3	–	–	–	–	–	–	–	–	–
Housing Benefits	3	–	–	–	–	–	–	–	–	–
Non-pensionable		–	–	–	–	–	–	–	–	–
Travel or Motor Vehicle	3	–	–	–	–	–	–	–	–	–
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		–	–	–	–	–	–	–	–	–
Service Related Benefits										
Acting	3	–	–	–	–	–	–	–	–	–
Bonus	3	–	–	–	–	–	–	–	–	–
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	–	–	–	–	–	–	–	–	–
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Scarcity	3	–	–	–	–	–	–	–	–	–
Standby Allowance	3	–	–	–	–	–	–	–	–	–
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	–	–	–
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		–	–	–	–	–	–	–	–	–
Total Salaries and Allowances		–	–	–	–	–	–	–	–	–
Social Contributions										
Bargaining Council		–	–	–	0	0	–	0	–	–
Group Life Insurance		–	–	–	–	–	–	–	–	–
Medical		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Unemployment Insurance		–	–	–	–	–	–	–	–	–
Total Social Contributions		–	–	–	0	0	–	0	–	–
Post-retirement Benefit	6									
Medical		–	–	–	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Total Post-retirement Benefit		–	–	–	–	–	–	–	–	–
Costs Capitalised to PPE		–	–	–	–	–	–	–	–	–
Sub Total - Board Members of Entities		–	–	–	0	0	–	0	–	–
% increase	4		–	–						–
Senior Managers of Entities										
Salaries and Allowances										
Basic Salary		–	–	–	–	–	–	–	–	–
Bonuses		–	–	–	–	–	–	–	–	–
Allowance										
Accommodation, Travel and Incidental		–	–	–	–	–	–	–	–	–
Cellular and Telephone	3	–	–	–	–	–	–	–	–	–
Housing Benefits	3	–	–	–	–	–	–	–	–	–
Non-pensionable		–	–	–	–	–	–	–	–	–
Travel or Motor Vehicle	3	–	–	–	–	–	–	–	–	–
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		–	–	–	–	–	–	–	–	–
Service Related Benefits										
Acting	3	–	–	–	–	–	–	–	–	–
Bonus	3	–	–	–	–	–	–	–	–	–
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	–	–	–	–	–	–	–	–	–
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Scarcity	3	–	–	–	–	–	–	–	–	–
Standby Allowance	3	–	–	–	–	–	–	–	–	–
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	–	–	–
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		–	–	–	–	–	–	–	–	–
Total Salaries and Allowances		–	–	–	–	–	–	–	–	–
Social Contributions										
Bargaining Council		–	–	–	–	–	–	–	–	–
Group Life Insurance		–	–	–	–	–	–	–	–	–
Medical		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Unemployment Insurance		–	–	–	–	–	–	–	–	–
Total Social Contributions		–	–	–	–	–	–	–	–	–
Post-retirement Benefit	6									
Medical		–	–	–	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Total Post-retirement Benefit		–	–	–	–	–	–	–	–	–
Costs Capitalised to PPE		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–						–
Other Staff of Entities										
Salaries and Allowances										
Basic Salary		–	–	–	–	–	–	–	–	–
Bonuses		–	–	–	–	–	–	–	–	–
Allowance										
Accommodation, Travel and Incidental		–	–	–	–	–	–	–	–	–
Cellular and Telephone	3	–	–	–	–	–	–	–	–	–
Housing Benefits	3	–	–	–	–	–	–	–	–	–
Non-pensionable		–	–	–	–	–	–	–	–	–
Travel or Motor Vehicle	3	–	–	–	–	–	–	–	–	–
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		–	–	–	–	–	–	–	–	–
Service Related Benefits										
Acting	3	–	–	–	–	–	–	–	–	–
Bonus	3	–	–	–	–	–	–	–	–	–
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	–	–	–	–	–	–	–	–	–
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Scarcity	3	–	–	–	–	–	–	–	–	–
Standby Allowance	3	–	–	–	–	–	–	–	–	–
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	–	–	–
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		–	–	–	–	–	–	–	–	–
Total Salaries and Allowances		–	–	–	–	–	–	–	–	–
Social Contributions										
Bargaining Council		–	–	–	–	–	–	–	–	–
Group Life Insurance		–	–	–	–	–	–	–	–	–
Medical		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Unemployment Insurance		–	–	–	–	–	–	–	–	–
Total Social Contributions		–	–	–	–	–	–	–	–	–
Post-retirement Benefit	6									
Medical		–	–	–	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Total Post-retirement Benefit		–	–	–	–	–	–	–	–	–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–						–
Total Municipal Entities		–	–	–	0	0	–	0	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		109 308	99 571	99 571	8 506	8 506	8 298	209	3%	99 571
% increase	4	–	(8,9%)	–	–	–	–	–	–	–
TOTAL MANAGERS AND STAFF	5,7	105 234	94 858	94 858	8 207	8 207	7 905	302	4%	94 858

SECTION 5 – PROGRESS ON MUNICIPAL DEBT RELIEF

- Municipality's self-assessment in the format of the compliance certificate issued in MFMA Circular No. 124: Annexure A (signed by the Municipal Manager / (Acting); Attached as Annexure A
- Supporting information substantiating its compliance with conditions 6.1 – 6.14 in MFMA Circular No. 124.

5.1 MFMA Circular 124 – Municipality Compliance Self-Assessment

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Jul'25
National Financial Year	2026/27
Demarcation Code of Municipality being assessed	WC041
District	Garden Route
Demarcation Description	Kannaland

I, ..., hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

			Choose from drop down list	Notes/Comments
Condition 6.12	6.12 +	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):		
i	6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - refer condition 6.12.2	No	Payment was made for the June 2026 invoice
ii	6.12.3	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes	
iii	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Yes	
iv	6.12.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.	No	The municipality still pays for the old invoices

5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Select	
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes	
	6.4	Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)	Select	
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	Yes	
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	No	The municipal budget is unfunded
9	6.4.1	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes	
		Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as "No".		
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes	
		Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as "No".		
11	6.4.2	- If the municipality's MTREF is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	There is an FRP	The budget funding plan forms part of FRP
		Note - If the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.		
12	6.4.2	- If the municipality's MTREF is not funded and it has an FRP per the legislative framework, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.	Yes	The budget funding plan forms part of FRP
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)	Yes	

14	6.5	**Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?**	Yes	
	6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:		
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes	
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes	
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: in terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No	The municipality does not currently have the infrastructure i.e restriction valves to install on defaulting customer networks. The municipality through the technical department is exploring how this can be done and to determine the costs implication for such equipment. The Municipality will report on the progress thereof in future reports. The municipality awaits the projected funding from PT to
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the indigent information in the required NT format.	No	The municipality does not have the flow meters to limit the supply of water, but with electricity once the allocated free basic is used, the consumers will be liable to purchase their own electricity
	6.6	Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.		
	6.7	Maintain a minimum average quarterly collection of property rates and services charges –		
19	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	Not yet end of quarter	
		Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.		
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :		
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	6.7.1 = Yes	
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	6.7.1 = Yes	
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	6.7.1 = Yes	

23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes	Landis&GYR has installed 3842 meters
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes	The Municipality developed the policy and was approved by Council on 30 June 2026
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes	
	6.8	**Municipality's Completeness of the revenue base –**		
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes	
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement	Yes	The action plan developed to address the variances identified between the valuation roll and billing system
28	6.8.2	- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za?	Yes	
	6.9	**Monitor and report on implementation –**		
29	6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes	
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? Note - condition 6.9.2 has a typing error and must refer to 6.9.1.	6.9.1 = Yes	
31	6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	Yes	
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes	
	6.10	*Note - a municipality with a FRP may only benefit from the Municipal Debt Support proposalse if the FRP progress report was submitted to both the Provincial Executive and MFRS.* *Provincial Treasury Note - Provincial Treasury certification of municipal compliance – In terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:*		
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes	
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za? Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.	Yes	

35	6.10.5	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No	
		Note: if the PT failed to address such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.2.		
36	6.11	**Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?**	Yes	
		Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.		
	6.12	**For the duration of the Municipal Debt Relief (to ensure proper management of resources):**		
37	6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes	
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes	
		Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.216.		
39		Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	Yes	
40	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.	Yes	
41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes	
		Note: By applying for Municipal Debt Relief as set out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's water support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.		

PT: HOD/ NT / MM Name: ADV. D. SOLOO

Signature of HOD/ NT/ MM:



Date:

***Note – if the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procuration of the HOD / MM must be attached as an Annexure to this Certificate of Compliance.*

5.2 Municipal Debt Relief Performance across the period of debt relief participation

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Province		
WC		
Code	District	Code Description
WC041	Garden Route	Kannaland

Monthly Performance Report

Municipal Details			Part A						Part B					Part C			Part D				Part C							Maximization of Revenue Base			Part E												Scoring and Rating	
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRP/BFP & Tariff Assessment			Electricity and water as collection tools				Quarterly collection of property rates and services charges										Oversight														
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating
25.July25	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	59%	Moderate compliance
26.August25	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	59%	Moderate compliance
27.September25	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	51%	Moderate compliance
28.October25	Kannaland	WC041	Yes	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	56%	Moderate compliance
29.November25	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	54%	Moderate compliance
30.December25	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	51%	Moderate compliance
31.January26	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	54%	Moderate compliance
32.February26	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	54%	Moderate compliance
33.March26	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	54%	Moderate compliance
34.April26	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	54%	Moderate compliance
35.May26	Kannaland	WC041	Yes	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	56%	Moderate compliance
36.June26	Kannaland	WC041	Yes	Yes	No	No	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	56%	Moderate compliance
37.July26	Kannaland	WC041	No	Yes	Yes	No		Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	85%	Above Moderate

5.3 The Provincial Treasury Municipal (Eskom) Debt Relief Compliance Assessment

Western Cape Government

Provincial Treasury
Victor Senna
Fiscal and Economic Services
Victor.Senna@westerncape.gov.za | Tel: 021 483 2666

Private Bag X9165
Cape Town
8000

Reference number: PTR 16/1/20/1
Enquiries: Steven Kenyon

Ms O Gaarekwe
Acting Deputy Director-General
Intergovernmental Relations
National Treasury
40 Church Square
PRETORIA
0001

AND

Mr D Sereo
Municipal Manager
Kannaland Municipality
P O Box 32
LADISMITH
6655

Per email: Ogalaletseng.Gaarekwe@treasury.gov.za; RevenueManagement@treasury.gov.za; Jan.Hattingh@treasury.gov.za; mm@kannaland.gov.za; mari@mfip.gov.za; paul@mfip.gov.za; cfo@kannaland.gov.za; wilmie@kannaland.gov.za ; camilla@kannaland.gov.za

Dear Ms Gaarekwe and Mr Sereo

MFMA CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY DURING JUNE 2026

The National Treasury approved the debt relief application of Kannaland Municipality with effect 1 August 2023. June 2026 constitutes the eleventh month of the Municipality's third 12-month debt relief compliance cycle. The Western Cape Provincial Treasury monitored and assessed the Municipality's compliance with all the debt relief conditions during the July 2026 reporting. This letter provides an overview of the Provincial Treasury's assessment of the Municipality's compliance with the programme's conditions.

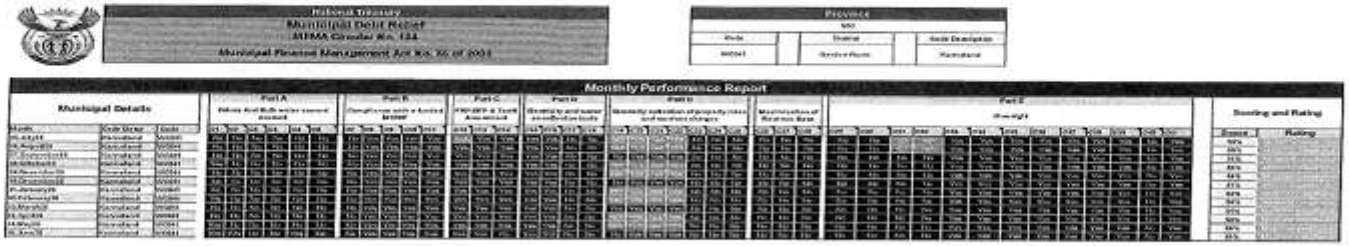
1. **Condition 6.1 - Municipality non-compliance**

In terms of the National Treasury (NT) approval, the municipality must comply with conditions 6.1 – 6.14 of MFMA Circular No. 124 read together with the additional conditions specific to the Municipality set-out in its National Treasury debt relief approval letter. From the Provincial Treasury's assessment, the Municipality's average compliance with the MFMA Circular No. 124 conditions during June 2026 remained the same as previous month 56 per cent of May 2026. The scores from the entire previous second cycle and from the first to the end of the eleventh months of the third cycle are being lower than the 85 per cent achieved in the first cycle. Refer the performance sheet in the table below that

www.westerncape.gov.za
Provincial Treasury | Fiscal and Economic Services

shows the Municipality's overall relief compliance performance across the recent months of its debt relief cycle. The Provincial Treasury assessment reveals that the Municipality is not on track with its debt relief compliance.

2. WC041 Kannaland Municipality overall performance from July 2025 up to June 2026:



The National Treasury will only request Eskom to write-off a Municipality's arrear debt, if the Municipality demonstrates to the National Treasury's satisfaction, that the Municipality complied with the aforementioned conditions for a consecutive period of 12 months. The Municipality is encouraged to take urgent measures to ensure full compliance with all conditions of the Municipal Debt Relief programme.

3. Condition 6.2 - Application-based supported by Council's resolution

The Municipality's application was endorsed by the Council and approved by National Treasury, subject to addressing specified gaps. All of these have subsequently been addressed.

4. Condition 6.3 - Maintaining the Eskom and Water bulk current accounts.

Kannaland Municipality remains non-compliant with Section 65(2)(e) of the MFMA and Condition 6.12.2 of MFMA Circular 124, which require the full current bulk electricity account to be settled within 30 days. The June 2026 FMR reflects Eskom payments of R8.23 million against current account charges of R6.86 million. However, the payments made by the Municipality were allocated to arrears and could therefore not be offset against the current account. Cash Flow Committee engagements also confirmed that current Eskom obligations continue to accumulate because of ongoing cash flow constraints. It should further be noted that payments reflected in the FMR may relate to prior period obligations and not necessarily to the current reporting period.

During the recent engagement with Eskom and Provincial Treasury, the Municipality committed to pay R10.00 million from their July 2026 equitable share tranche. This payment has since been made, as confirmed by Eskom. The Municipality further committed to pay R6.50 million per month from August 2026, with additional payments to be made when funds become available. Eskom emphasized that the current account must be settled by the due date to prevent further arrears from accumulating. The key concern is therefore whether the Municipality can consistently honour the R6.50 million monthly commitment, given the continued cash flow constraints.

The Municipality is implementing an approved Financial Recovery Plan (FRP), with progress monitored through the FRP Technical Implementation Committee. Eskom non-compliance also continues to be raised during the weekly Cash Flow Committee engagements. Provincial Treasury has repeatedly emphasized the need to prioritize current Eskom obligations and implement measures to restore compliance with the Debt Relief Program conditions.

The Municipality has not yet submitted the detailed Eskom reconciliation requested in previous correspondence. This is required to verify the reported balances, payments made and related supporting documentation. As at 30 June 2026, the Municipality reported total Eskom debt of R102.97 million, increasing from R97.98 million in May 2026. Of this amount, R13.81 million was reflected in the 0–30-day ageing category, while R79.76 million had been outstanding for more than one year. The continued increase remains a concern. In the absence of detailed reconciliation, the completeness and accuracy of the reported Eskom balance, including movements between reporting periods, could not be fully validated.

With regard to the bulk water account, the Municipality settled the invoice dated 5 June 2026 on 30 June 2026, within the prescribed 30-day payment period. The invoice related to water consumption for May 2026. No June 2026 bulk water invoice was reflected in the June 2026 FMR, as the Water Board generally issues invoices in the following month. Based on the information available, no non-compliance relating to the bulk water account was identified for the period under review. Provincial Treasury commends the Municipality for submitting the supporting proof of payment for the June 2026 bulk accounts on time.

5. Condition 6.4 - A funded MTREF

Provincial Treasury assessed the Municipality's 2026/27 Final Budget and found it to be **unfunded**. Kannaland Municipality had previously adopted a Budget Funding Plan as an interim measure to address its financial challenges. However, following the approval of the Financial Recovery Plan in August 2025, the Municipality is now implementing the approved FRP framework. The FRP was formally submitted by National Treasury's Municipal Financial Recovery Service to the Provincial Minister of Finance on 11 August 2025 and is binding on the Council and administration of Kannaland Municipality. It provides the framework for addressing the Municipality's immediate and long-term financial challenges and supporting the achievement of a funded MTREF. Implementation commenced on 1 September 2025.

The recent FRP Oversight Committee engagement confirmed that the Municipality remains in Phase 1 of the FRP and that achieving a funded MTREF will depend on the consistent implementation of the approved recovery measures and the alignment of future budgets with the FRP parameters.

6. Condition 6.5 - Cost reflective tariffs

The Municipality has not uploaded its Cost of Supply study to the GoMuni portal, and the submission therefore remains outstanding. Although Provincial Treasury has received a copy of the study, the Municipality should upload it to GoMuni. The completed Cost Reflective Tariff Tool required in terms of MFMA Circular No. 98 and item 5.2 of MFMA Budget Circular No. 122 also remains outstanding. The Municipality should prioritise both submissions and use the Cost of Supply study to support the implementation of cost reflective tariffs across the four main trading services.

7. Condition 6.6 - Electricity and water as collection tools

The Municipality issues a consolidated monthly bill to consumers, with payment allocations prioritised first to property rates, followed by water, wastewater, refuse removal, and lastly electricity. Account holders automatically receive a breakdown of these charges, while property owners may authorise tenants to open separate service accounts. However, this practice may not be fully aligned with the conditions contained in MFMA Circular 124 relating to the administration and recovery of municipal debt.

In cases of non-payment, electricity services are disconnected and prepaid electricity purchases are blocked, except for registered indigent consumers. However, the Municipality currently lacks the

infrastructure required to restrict water supply to defaulting non-indigent consumers. The Municipality indicated that this limitation is under technical review to assess implementation feasibility and associated costs. Registered indigent consumers receive monthly allocations of 50 kilowatt hours of electricity and 6 kilolitres of water. These practices are reflected in the Municipality's monthly MFMA Section 71 reports, which include indigent-related information as prescribed by National Treasury.

8. **Conditions 6.7 - Maintain a minimum average quarterly collection of property rates and services charges**

The Municipality reported a collection rate of 78.0 per cent for the period under review, improving slightly from 77.0 per cent in the previous month, but remaining below the FRP target of 85 per cent. Collection performance continues to be affected by non-payment, particularly in Eskom-supplied areas where the Municipality cannot use electricity disconnections as a credit-control measure. Excluding Eskom supplied areas, the collection rate improves to approximately 84 per cent, indicating better performance in areas supplied directly by the Municipality.

Collection levels also remain under pressure due to the high level of outstanding consumer debt, including significant arrears relating to Zoar. The Municipality has expanded its blocking list to include businesses and government institutions and has commenced an indigent registration drive to improve the accuracy of its indigent records. Recent engagements further confirmed that councillor debt had been settled, while staff debt remains subject to payment arrangements. Evidence of the related payroll deductions should continue to be monitored.

The Municipality has also initiated a data-cleansing process to improve the accuracy of its billing information. In addition, two debt-collection service providers, NFD Consulting and Thipa Attorneys, were appointed in March 2025. During the recent FRP Oversight Committee engagement, the Municipality indicated that the existing contracts could not be amended to extend the scope beyond the issuing of demand letters. The Municipality therefore remains limited in its ability to pursue further enforcement action, including the issuing of summonses, under the current appointments. The Municipality should identify an appropriate procurement mechanism to strengthen the implementation of its credit-control measures.

The rollout of smart meters has reportedly contributed to improved collections over the past four months. However, the financial impact has not yet been quantified, and the project is only expected to be completed by the end of the 2026/27 financial year. The Municipality should therefore monitor and report on the additional revenue collected through the smart meter programme to determine whether the intervention is improving overall collection performance.

9. **Condition 6.8 - Completeness of the Revenue Base**

The Municipality has not aligned its billing system with the Council-approved General Valuation Roll (GVR) and supplementary valuation rolls, as highlighted by National Treasury's property rates reconciliation tool. This misalignment has resulted in property misclassifications, incorrect property transfers, and omissions, thereby affecting the completeness and accuracy of the revenue base. The Municipality indicated that corrective actions are underway, including notifying the valuer, correcting property classifications, conducting supplementary valuations, and rectifying property categorisations. However, despite these efforts, the Municipality continues to omit the required monthly progress report on the implementation of the action plan from its Section 71 reports, despite being previously advised to include this information.

The Municipality is urged to prioritise the full reconciliation of the valuation roll and billing system and to comply with MFMA Circular No. 124 to support accurate revenue reporting and the successful implementation of the Eskom Debt Relief Programme.

10. Condition 6.9 - Monitor and Report on compliance

The Western Cape Provincial Treasury's assessment confirmed that the MFMA s71 narrative statement was uploaded to GoMuni. However, the narrative statement was not published on the Municipality's website. This statement was also assessed against the Municipal Budget and Reporting Regulations, 2009 (MBRR) and the National Treasury MFMA s71 reporting guidance issued to debt relief municipalities on 10 May 2024, in conjunction with paragraphs 9(i) to 9(ix) of the NT debt relief approval letter.

The assessment confirmed that the MFMA S71 narrative statement included the following information:

	MFMA S71 Statement component	Compliance (Yes/No)
1.	***The Budget Performance Overview (paragraph 4) of the MFMA S71 statement*** explicitly advised on the Municipality's progress in implementing the Municipality's budget and (where relevant also the budget funding plan) - where implementation is slow, the statement advised explicitly on progress, challenges, and corrective actions.	Yes
2.	***The conclusion (paragraph 14) of the MFMA S71 statement*** explicitly advised as part of the MFMA Circular No. 124: Condition 6.9 reporting - i.Any risk associated; and i.The mitigating factors. with the implementation of the Municipality's Budget Funding Plan and/or Funded Budget.	Yes
3.	***Annexure B of the MFMA S71 statement included the following debt relief reporting components***	
3.1.1	The Municipality's MFMA Circular No. 124 self-assessment.	Yes
3.1.2	The self-assessment (refer 3.1.1 above) was included in the format of **MFMA Budget Circular No. 128 (Annexure B).**	Yes
3.2	The Municipality's overall relief compliance across the months of its debt relief participation since its National Treasury debt relief approval effective date	Yes
3.3	The latest Provincial Treasury debt relief compliance certificate and report issued to the Municipality.	Yes
3.4.1	The Municipality's revenue collection performance i. the overall performance graph; ii. Summary worksheet; and iii. Collection per ward indicating who supplies electricity in the ward	Yes
3.4.2	The revenue collection performance information (refer 3.4.2) was included in the format of **MFMA Budget Circular No. 128 (Annexure D).**	Yes
3.5.1	The indigent management information	Yes
3.5.2	The indigent management information was included in the format of **MFMA Budget Circular No. 128 (Annexure C).**	Yes
3.6.1	The summary of the Municipality's property rates reconciliation undertaken in the National Treasury format.	Yes
3.6.2	The Municipality's progress during the month against its planned corrective action to address any variances evident from the property rates reconciliation.	**No**
3.7.1	Any Eskom and Water (if the Municipality has the Water function) Bulk current account invoice(s) due and payable during the month of reporting	Yes
3.7.2	The Municipality's proof of payment of any such Eskom and/or Water Bulk current account invoice(s) during the month of reporting.	Yes
3.7.3	The Municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA S71 mSCOA data strings upload.	**No**

	MFMA 71 Statement component	Compliance (Yes/No)
3.8	Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and/or Mayoral Committee meeting	Yes

The Municipality has incorporated its monthly debt compliance reporting into the MFMA Section 71 narratives as required. Although improvements were made following Provincial Treasury's engagement on 14 August 2025, the FMR submitted for June 2026 still contains blurred supporting documents, specifically Municipality self-assessment and property rates reconciliation. These issues continue to limit Provincial Treasury's ability to fully assess the Municipality's compliance with reporting requirements.

11. Condition 6.10 - Provincial Treasury certification of municipal compliance

Provincial Treasury closely monitors compliance with the conditions of the Municipal Debt Relief Programme, and this letter is submitted in fulfilment of the PT's role in certifying compliance of the Municipality.

12. Condition 6.11 - Limitation on Municipal borrowing powers

The limitation on municipal borrowing powers and the prohibition of borrowing during debt relief periods form a dual regulatory framework aimed at ensuring fiscal responsibility. Compliance necessitates meticulous scrutiny of borrowing activities to ascertain adherence to authorised limits and program guidelines. These measures, while promoting sustainable debt management, also stabilise the Municipality's financial standing, prevent over-leveraging, and mitigate immediate financial strain. Adhering to these regulations is paramount for maintaining creditworthiness, mitigating financial risks, and safeguarding the Municipality's long-term financial health. Thus, robust oversight and adherence to regulatory frameworks are imperative for prudent financial governance and sustained fiscal resilience.

The Municipality has complied with this condition since its debt relief effective date of 5 September 2023, to date.

13. Condition 6.12 - Proper management of resources

It is noted that during February 2024, the National Treasury: Office of the Accountant General (OAG) issued the Supplementary Guide to MFMA Circular No. 124 on 21 February 2024. According to this guidance, municipalities are no longer required to maintain separate bank accounts for debt relief purposes as previously mandated by Condition 6.12 of MFMA Circular No. 124. However, regardless of the decision to discontinue a separate bank account, municipalities must demonstrate ring-fencing for debt relief through their monthly mSCOA data string submissions.

The Municipality has not conducted transactions through the previously established ring-fenced sub-account, which was designated for settling current obligations to Eskom and paying for bulk water accounts before using these funds for other purposes. Although the Municipality has submitted documents related to the primary account's monthly bank reconciliations to GoMuni, showing opening and closing balances, they have not provided full bank statements. For further guidance, the Municipality should refer to the Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124, issued by the National Treasury on 16 February 2024.

14. Condition 6.13 - Accounting Treatment

The Municipality's unaudited AFS for 2023/24 were not sufficiently detailed for Provincial Treasury to determine if the Municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) in terms of the written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date. As a result, the Municipality is considered to not have complied with this condition.

15. Condition 6.14 - NERSA Licence

By having applied for Municipal Debt Relief, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agreed to make an application to NERSA to voluntarily revoke the Municipality's license in terms of section 17 of the Electricity regulation Act, 2006 (Act No. 4 of 2006). It is noted that this condition will only come into effect if the Municipality's participation in the debt relief programme is terminated.

16. Provincial Treasury Compliance Certification

The Provincial Treasury certifies that it monitored and assessed WC041 Kannaland Municipality's compliance against the MFMA Circular No. 124 **conditions** and NT debt relief approval letter as set-out below in the PT's compliance certificate for the Municipality in relation to the period 1 – 30 June 2026:

Annexure A2 - Monthly

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Western Cape Provincial Treasury

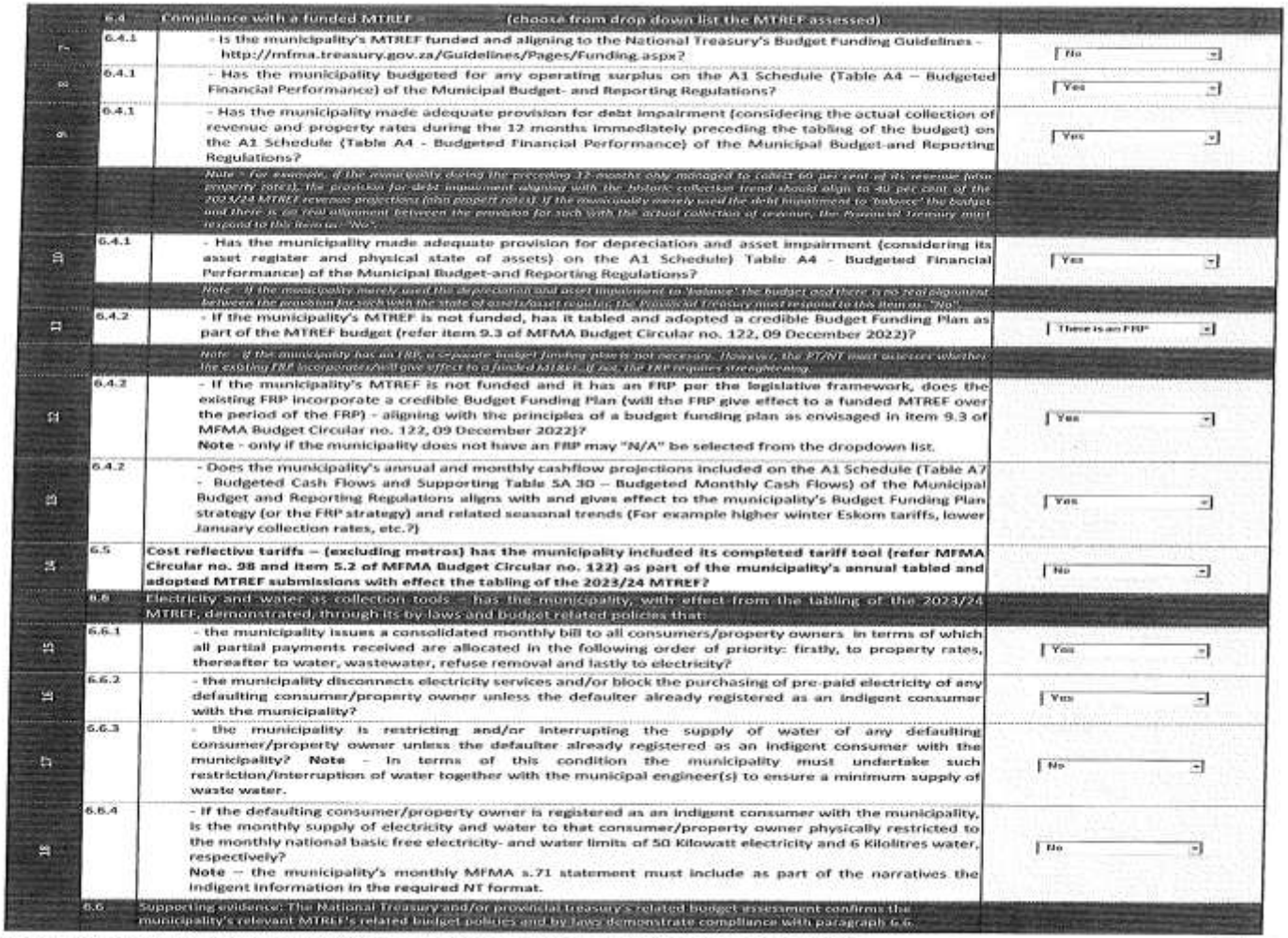
Certificate of Compliance: Municipal Debt Relief Conditions for Application	
Period	
National Financial Year	
Demarcation Code of Municipality being assessed	
District	**Garden Route**
Demarcation Description	**Kannaland**

I, Mr. Victor Senna, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Condition	6.12 + 6.13	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):	Choose from drop down list
l	6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - refer condition 6.12.2.	Yes
n	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://guploadportal.treasury.gov.za?	Yes
m	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/or Water Trading Entity?	No
o	6.13.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and/or subsequent current account(s) up to the date of NT approval of the application.	No
p	6.13.2 6.13.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://guploadportal.treasury.gov.za?	Yes
q	6.13.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	No

MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE: KANNALAND MUNICIPALITY JUNE 2026



6.4	Compliance with a funded MTREF – ……… (choose from drop down list the MTREF assessed)		
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as "No".	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as "No".	
13	6.4.2	- If the municipality's MTREF is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	There is an FRP
		Note - If the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT/NT must assesses whether the existing FRP incorporates/will give effect to a funded MTREF. If not, the FRP requires strengthening.	
12	6.4.2	- If the municipality's MTREF is not funded and it has an FRP per the legislative framework, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? **Note** - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.	Yes
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)	Yes
14	6.5	**Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?**	No
	6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:	
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality? **Note** – In terms of this condition the municipality must undertake such restriction/interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? **Note** – the municipality's monthly MFMA s.71 statement must include as part of the narratives the indigent information in the required NT format.	No
	6.6	Supporting evidence: The National Treasury and/or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by laws demonstrate compliance with paragraph 6.6.	

MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE: KANNALAND MUNICIPALITY JUNE 2026



	6.7	Maintain a minimum average quarterly collection of property rates and services charges	
30	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No
		Note - although the norm and standard for collection (MFMA Circular No. 71) is 95 per cent this limit, any variation under the debt relief support will be assessed for the first two years from 80% rising to the norm.	
31	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :	
32	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	Yes
33	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	Yes
34	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	Yes
35	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No
36	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	No
37	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	No
	6.8	Municipality's Completeness of the revenue base	
38	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/or any subsequent supplementary GVR compiled by the registered municipal valuer?	No
39	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s. 71 statement.	No
40	6.8.2	- For the latest ending Quarter Has the municipality submitted its completed billing system, GVR and/or Interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://liguploadportal.treasury.gov.za?	No
	6.9	Monitor and report on implementation	
41	6.9.2	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	No
42	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? Note - condition 6.9.2 has a typing error and must refer to 6.9.1.	No
43	6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No
44	6.9.4	- If the municipality has an FRP, with effect from 01 April 2024, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://liguploadportal.treasury.gov.za?	No
		Note - a municipality with a FRP that has benefit from the Municipal Debt Support Programme if the FRP report was submitted to both the Provincial Executive and MFRS.	
	6.10	*Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief (MDR).*	
45	6.10.1	- has the relevant Provincial Treasury (delegated)/National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes
46	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://liguploadportal.treasury.gov.za? Note – in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.	Yes
47	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No
		Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.	

MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE:
KANNALAND MUNICIPALITY JUNE 2026

36	6.11	**Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?**	No
		Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124, condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans entered into after the effective date of debt relief approval as envisaged in MFMA section 86. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.	
	6.12	**For the duration of the Municipal Debt Relief (to ensure proper management of resources):**	
37	6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account -- (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes
		Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(2).	
39		Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	Yes
40	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? **Note** - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.	No
41	6.14	*NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	No
		Note: By applying for Municipal Debt Relief as set out in paragraph 3 of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 12 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's widest support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.	

The Western Cape Provincial Treasury's assessment and compliance certificate confirmed that Kannaland Municipality did not fully comply with the conditions of MFMA Circular No. 124, as outlined above. The Municipality's average compliance score remained unchanged at 56.0 per cent in June 2026. The continued low level of compliance is mainly attributable to the non-payment of current bulk electricity accounts, outstanding monthly FRP progress reports and other unmet programme requirements. Although payments were made towards the Eskom account during June 2026, these were allocated to arrears and did not settle the current account obligations.

The Municipality has also not completed the required FRP progress reporting on the GoMuni portal. Only reports for October 2025, November 2025 and February 2026 were uploaded, together with an August 2025 submission that appears to have been incorrectly uploaded, as implementation of the FRP commenced on 1 September 2025. Reports for the remaining periods are still outstanding, reflecting gaps and inconsistencies in FRP reporting. Provincial Treasury has advised the Municipality to upload all outstanding reports under the Municipal Financial Recovery Service section on GoMuni. Although copies of certain reports were submitted directly to Provincial Treasury, this does not replace the requirement to upload the complete FRP reporting record on GoMuni.

MUNICIPAL DEBT RELIEF: PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE: KANNALAND MUNICIPALITY JUNE 2026

10

The Municipality must urgently address the outstanding areas of non-compliance. Priority should be given to settling current bulk accounts within the prescribed period, completing all outstanding FRP reporting and reporting on progress with the General Valuation Roll reconciliation action plan. The remaining compliance matters outlined above should also be addressed. Consistent implementation of the conditions remains essential to preserve the Municipality's participation in the Debt Relief Programme and the associated benefits.

Provincial Treasury remains committed to supporting the Municipality in addressing the outstanding compliance matters and strengthening its implementation of the Debt Relief Programme conditions.

Yours sincerely

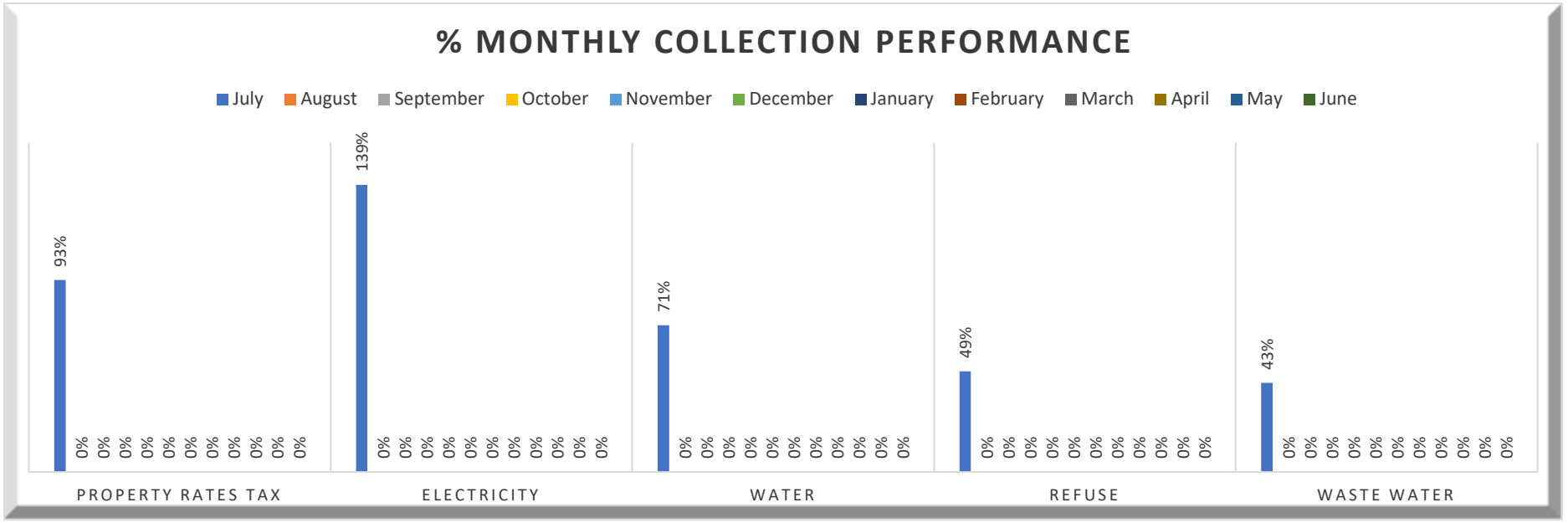
Owen Willcox Digitally signed by Owen Willcox Date: 2026.07.28 14:42:33 +02'00'

OWEN WILLCOX
ACTING DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONIMIC SERVICES
DATE:

Cc: The Executive Mayor: Mr J Donson, mayor@kannaland.gov.za
CFO, Kannaland Municipality: Mr L Steenkamp cfo@kannaland.gov.za
Senior Manager Revenue Management: Rehaz Abramia -AbramiR@eskom.co.za
Senior Manager Finance Cape Coastal Cluster: Afika Brey -BreyA@eskom.co.za
Middle Manager Finance Cape Coastal Cluster: Unathi Yaso -YasoUN@eskom.co.za
MFMA Coordinator: Steven Kenyon - Steven.Kenyon@westerncape.gov.za
Director-General: Department of Cooperative Governance: Mr Mbulelo Tshangana - Zandilez@cogta.gov.za
CEO: SALGA: Sithole Mbanga - hmazibuko@salga.org.za

5.4 MFMA Circular 124- Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7 (Maintain a minimum average quarterly collection of property rates and services charges)

5.4.1 Monthly/Quarterly collection per ward



Municipal Debt Relief - Monthly Revenue Collection Reporting (condition 6.7)

Province	Demarcation Code	Municipality
Western Cape	WC041	Kannaland

Average collection rate (MFMA Circular 124 condition 6.7)

NB - Collection rate principle applied (Cash collection of previous month billing)

Collection Rate Assessment

Notes	Total Aggregate Collection		1.July - Reporting for June in July				- Reporting for July		Summary - Quarter 4				Q1
			Billing For June	Collection in July	R - Billing not collected	% Collection	Billing For July	Click to view/close months	Billing	Collection	R - Billing not collected	% Collection	
1	1.Collection for whole demarcation	Summary	8 837 085	7 610 895	2 065 607	86%	-		-	-	-	#DIV/0!	#DIV/0!
2	2.Collection excl Eskom supplied areas		6 132 137	6 097 704	1 165 419	99%	-		-	-	-	#DIV/0!	#DIV/0!
3	3.Collection: **Property Rates**		2 517 138	2 346 691	170 447	93%	-		-	-	-	#DIV/0!	#DIV/0!
4	4.Total average collection: **Electricity** (Municipal supplied areas)		2 128 127	2 967 545	0	139%	-		-	-	-	#DIV/0!	#DIV/0!
5	5.Total average collection: **Water**		2 069 687	1 474 775	594 911	71%	-		-	-	-	#DIV/0!	#DIV/0!
6	6.Total average collection: **Wastewater**		1 032 765	504 285	528 480	49%	-		-	-	-	#DIV/0!	#DIV/0!
7	7.Total average collection: **Refuse**		1 001 747	434 065	567 682	43%	-		-	-	-	#DIV/0!	#DIV/0!
8	8. 7.Total average collection: **Interest**		87 621	(116 466)	204 087	-133%	-		-	-	-	#DIV/0!	#DIV/0!

Complete This Section

Quarter 1 Performance Per Ward — **Quarter 4 Performance Per Ward**

Services	Electricity Supplier	Ward Name & Number	1.July Billing For June	1.July Collection for June in July	1.July Rand Value of Billing not collected	1.July % Collection	2.August Billing For July	Q4 Billing	Q4 Collection	Q4 R - Billing not collected	Q4 % Collection	Q4
Property Rates Tax	Mun Supplied	Nissenville - Ward 1	161 206	151 950	9 256	94%		-	-	-	#DIV/0!	#DIV/0!
Electricity			162 646	56 244	106 402	35%		-	-	-	#DIV/0!	#DIV/0!
Water			182 049	84 486	97 563	46%		-	-	-	#DIV/0!	#DIV/0!
Refuse			152 546	62 865	89 681	41%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			195 748	99 861	95 887	51%		-	-	-	#DIV/0!	#DIV/0!
Interest			1 399	20 349	0	1454%		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Eskom supplied	Zoar - Ward 2	75 377	15 474	59 904	21%		-	-	-	#DIV/0!	#DIV/0!
Electricity			-	-	#VALUE!	#VALUE!		-	-	-	#DIV/0!	#DIV/0!
Water			392 797	33 581	359 216	9%		-	-	-	#DIV/0!	#DIV/0!
Refuse			370 017	35 200	334 817	10%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			358 993	36 760	322 233	10%		-	-	-	#DIV/0!	#DIV/0!
Interest			4 772	(16 672)	21 444	-349%		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Eskom supplied	Calitzdorp Farms - Ward 3	190 150	182 211	7 939	96%		-	-	-	#DIV/0!	#DIV/0!
Electricity			-	-	#VALUE!	#VALUE!		-	-	-	#DIV/0!	#DIV/0!
Water			34 222	18 084	16 138	53%		-	-	-	#DIV/0!	#DIV/0!
Refuse			-	-	#VALUE!	#VALUE!		-	-	-	#DIV/0!	#DIV/0!
Waste Water			-	-	#VALUE!	#VALUE!		-	-	-	#DIV/0!	#DIV/0!
Interest			-	(17 877)	#VALUE!	#VALUE!		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Mun Supplied	Bergsig Calitzdorp - Ward 3	22 705	15 060	7 645	66%		-	-	-	#DIV/0!	#DIV/0!
Electricity			24 179	12 575	11 603	52%		-	-	-	#DIV/0!	#DIV/0!
Water			186 740	137 857	48 883	74%		-	-	-	#DIV/0!	#DIV/0!
Refuse			115 835	38 104	77 731	33%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			104 172	25 109	79 063	24%		-	-	-	#DIV/0!	#DIV/0!
Interest			483	(128 089)	128 572	-26519%		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Mun Supplied	Calitzdorp Town - Ward 3	464 899	353 312	111 587	76%		-	-	-	#DIV/0!	#DIV/0!
Electricity			543 128	454 749	88 380	84%		-	-	-	#DIV/0!	#DIV/0!
Water			171 936	124 827	47 109	73%		-	-	-	#DIV/0!	#DIV/0!
Refuse			99 689	76 086	23 603	76%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			25 283	19 500	5 783	77%		-	-	-	#DIV/0!	#DIV/0!
Interest			6 870	2 359	4 512	34%		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Mun Supplied	Ladismith Town - Ward 4	1 009 806	895 897	113 909	89%		-	-	-	#DIV/0!	#DIV/0!
Electricity			1 346 406	2 383 271	0	177%		-	-	-	#DIV/0!	#DIV/0!
Water			572 169	646 109	0	113%		-	-	-	#DIV/0!	#DIV/0!
Refuse			202 138	196 960	5 177	97%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			310 946	312 177	0	100%		-	-	-	#DIV/0!	#DIV/0!
Interest			69 158	56 086	13 072	81%		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Eskom supplied	Ladismith Farms - Ward 4	536 952	708 040	0	132%		-	-	-	#DIV/0!	#DIV/0!
Electricity			51 768	60 706	0	117%		-	-	-	#DIV/0!	#DIV/0!
Water			440 973	419 992	20 981	95%		-	-	-	#DIV/0!	#DIV/0!
Refuse			21 736	17 806	3 929	82%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			12 323	10 245	2 078	83%		-	-	-	#DIV/0!	#DIV/0!
Interest			4 875	(32 622)	37 497	-669%		-	-	-	#DIV/0!	#DIV/0!
Property Rates Tax	Eskom supplied	Van Wyksdorp - Ward 4	56 042	24 747	31 295	44%		-	-	-	#DIV/0!	#DIV/0!
Electricity			-	-	#VALUE!	#VALUE!		-	-	-	#DIV/0!	#DIV/0!
Water			88 800	9 839	78 961	11%		-	-	-	#DIV/0!	#DIV/0!
Refuse			39 787	7 044	32 743	18%		-	-	-	#DIV/0!	#DIV/0!
Waste Water			25 300	633	24 667	3%		-	-	-	#DIV/0!	#DIV/0!
Interest			63	-	0	#VALUE!		-	-	-	#DIV/0!	#DIV/0!

5.4.2 – Restriction of Free Basic Services to Indigent Household

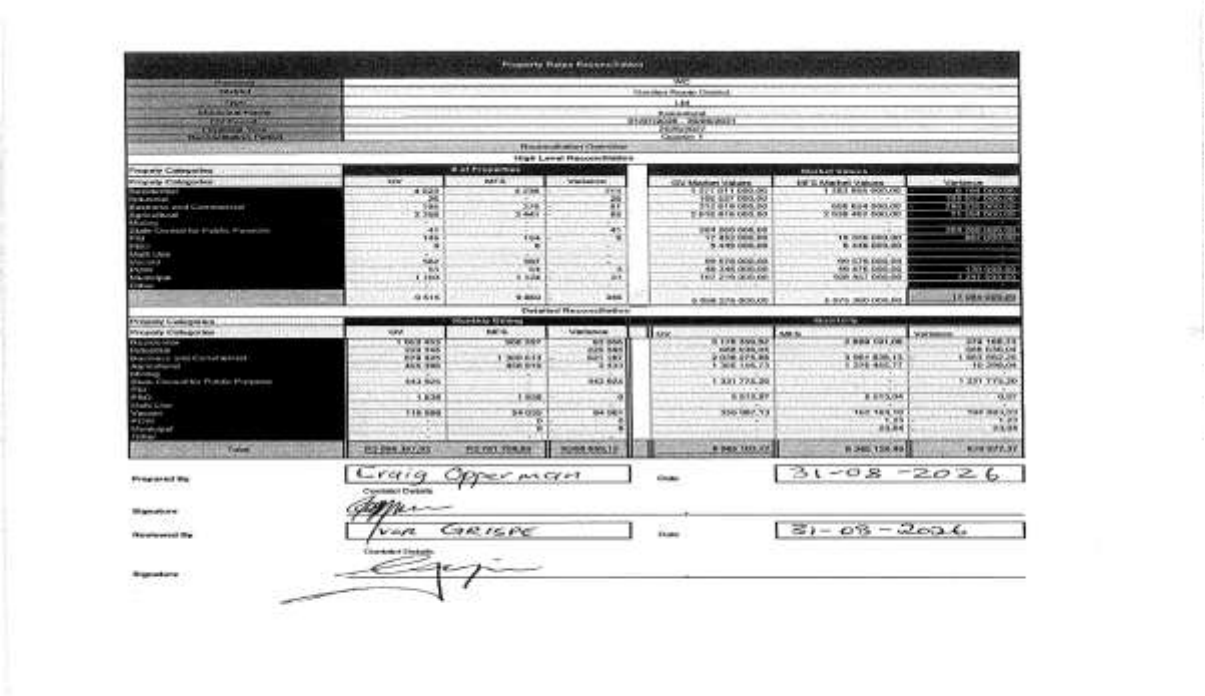
National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Municipal Debt Relief - Monthly Reporting - Indigent Households Information (MFMA Circular 124 (Condition 6.6))
Instruction *- complete only with information of the current households registered as indigent with the municipality (Do NOT include the information of all households unless explicitly stated otherwise)*

Description	Ref	As Per Debt Relief Application	Current Year - 2024/2025			2024/2025 - Monthly Monitoring											
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12
Indigent Household service targets	1																
Water *: (Include All Indigent households also in Eskom supplied areas)*																	
Indigent HH's with piped water inside dwelling						2 127											
Indigent HH's with piped water inside yard (but not in dwelling)																	
Indigent HH's using public tap (at least min.service level)	2																
Indigent HH's with other water supply (at least min.service level)	4																
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		–	–	–	–	**2 127**	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's using public tap (< min.service level)	3																
Indigent HH's with other water supply (< min.service level)	4																
Indigent HH's with No water supply																	
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	5	–	–	–	–	**2 127**	–	–	–	–	–	–	–	–	–	–	–
Status of Water meters :																	
Number of Indigent HH's with prepaid Water						2 127	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's with conventional metered Water																	
Number of Indigent HH's NOT metered currently - Water																	
Number of Indigent HH's with NO Water supply - No metering		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	10	–	–	–	–	**2 127**	–	–	–	–	–	–	–	–	–	–	–
Status of unlimited supply of Water :																	
Number of Indigent HH's with conventional metered Water - where the municipality is *NOT physcally restricting Water to the national free basic limit of 6 kilolitres per \household per month*																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households receiving unlimited supply - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's **billed for consumption above the 6 kilolitres**	11																
Energy *: (Include All Indigent households also in Eskom supplied areas)*																	
Indigent HH's with Electricity (at least min.service level)																	
Indigent HH's with Electricity - prepaid (min.service level)						2 127	–	–	–	–	–	–	–	–	–	–	–
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		–	–	–	–	**2 127**	–	–	–	–	–	–	–	–	–	–	–
Indigent HH's with Electricity (< min.service level)																	
Indigent HH's with Electricity - prepaid (< min. service level)																	
Indigent HH's with other energy sources																	
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	5	–	–	–	–	**2 127**	–	–	–	–	–	–	–	–	–	–	–
Status of Electricity meters :																	
Number of Indigent HH's with prepaid Electricity						2 127	–	–	–	–	–	–	–	–	–	–	–
Number of Indigent HH's with conventional metered Electricity																	
Number of Indigent HH's NOT metered currently - Electricity																	
Number of indigent HH's with other energy sources - No metering		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	12	–	–	–	–	**2 127**	–	–	–	–	–	–	–	–	–	–	–
Status of unlimited supply of Electricity :																	
Number of Indigent HH's with conventional metered Electricity - where the municipality is *NOT physcally restricting Electricity to the national free basic limit of 50kwh per \household per month*																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households receiving unlimited supply - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's **billed for consumption above the 50 kwh**	13																

Number of ALL Households receiving Free Basic Service *(including registered Indigent Households)*	7																	
Water (6 kilolitres per household per month)						2 127	–	–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)						2 127	–	–	–	–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)																		
Water (6 kilolitres per household per month)						#######	-	-	-	-	-	-	-	-	-	-	-	
Electricity/other energy (50kwh per household per month)						#######	-	-	-	-	-	-	-	-	-	-	-	
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)																		
Water (6 kilolitres per household per month)																		
Electricity/other energy (50kwh per household per month)																		
Total cost of FBS Water and Electricity provided to ALL Households	8	–	–	–	–	392 782	–	–	–	–	–	–	–	–	–	–	–	–
Highest level of free service provided per household (ALL Households)																		
Property rates (R value threshold)																		
Water (kilolitres per household per month)																		
Sanitation (kilolitres per household per month)																		
Sanitation (Rand per household per month)																		
Electricity (kwh per household per month)																		
Refuse (average litres per week)																		
Revenue cost of subsidised services provided for ALL Households (R'000)	9																	
Residential Category : Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)	14(a)																	
PSI Category : Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)	14(b)																	
Additional Subsidies: Property rates exemptions, reductions and rebates **in excess of section 17 of MPRA)**																		
Water **(in excess of 6 kilolitres per indigent household per month)**	15																	
Sanitation **(in excess of free sanitation service to indigent households)**	16																	
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**																		
Refuse **(in excess of one removal a week for indigent households)**																		
Municipal Housing - rental rebates																		
Housing - top structure subsidies	6																	
Other																		
Total revenue cost of subsidised services provided		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

MFMA Circular 124 – Property Rates Reconciliation



Craig Oppermann — 31-08-2026

Ivan Grispe — 31-08-2026

SECTION 7 – QUALITY CERTIFICATION



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Posbus 30 P.O. Box
LADISMITH
6655

info@kannaland.co.za
Tel : (028) 551 1023
Fax : (028) 551 1766

Kerkstr. 33 Church St.
LADISMITH
6655

QUALITY CERTIFICATE

I, Dillo Sereo Accounting Officer of **Kannaland Municipality WC041**, hereby certify that –

(mark as appropriate)

- ✓ The monthly budget statement
- ☐ Quality report on the implementation of the budget and financial state affairs of the municipality
- ☐ Mid- year budget and performance assessment

For the month **July 2026** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Dillo Sereo

Municipal Manager of **Kannaland Municipality WC041**

Signature

Date :31 August 2026

Eskom

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: (0860) 037566Shareca
FAX NO: 0862 437 566
E-MAIL: NorthernCape@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

Eskom

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
LADISMITH
6655

YOUR ACCOUNT NO	6940893537
SECURITY HELD	0.01
BILLING DATE	2026-07-07
TAX INVOICE NO	694349130010
ACCOUNT MONTH	JULY 2026
CURRENT DUE DATE	2026-08-06
VAT REG NO	4540197268

CUSTOMER SELF SERVICE WEBSITE
https://csonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL

BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: zoe@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	598.80
TRANSMISSION NETWORK CAPACITY		R	17,458.66
DIST. NETWORK CAPACITY CHARGE		R	60,040.00
NETWORK DEMAND CHARGE		R	34,135.53
ANCILLARY SERVICE (ALL)		R	2,327.23
GENERATOR CAPACITY CHARGE		R	13,405.33
LEGACY CHARGE (ALL)		R	131,220.03
ENERGY CHARGE (PEAK)	94,238.00	R	667,070.43
ENERGY CHARGE (OFF)	234,676.00	R	277,282.82
ENERGY CHARGE (STD)	243,292.00	R	430,720.76
SERVICE CHARGE		R	6,139.45
ELECTRIFICATION AND RURAL SUBS (ALL)		R	29,156.83
TOTAL CHARGES FOR BILLING PERIOD		R	**1,669,555.87**

ACCOUNT SUMMARY FOR JULY 2026

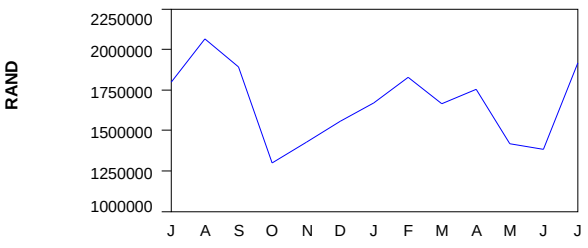
BALANCE BROUGHT FORWARD	(Due Date 2026-07-09)	R	16,376,344.98
PAYMENT(S) RECEIVED	Cash - 2026-06-29	R	-1,968,000.00
TOTAL CHARGES FOR BILLING PERIOD		R	1,669,555.87
ADJUSTMENT	Interest on overdue account	R	82,284.01
VAT RAISED ON ITEMS AT 15%		R	250,433.38

CURRENT	TOTAL DUE	R	16,410,618.24
2,002,273.26			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
11,410,455.82	1,495,943.28	0.00	1,501,945.88

Total outstanding debt must be settled immediately, subject to disconnection without further notice



ACCOUNT NO / REFERENCE NO
6940893537

NAME
KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

unipay 7100 10 0010

2721570016940893537 6

> 9207 2694 0893 5379 <

PayIT One account global payment platform

easypay a better way to pay

TOTAL AMOUNT DUE
16,410,618.24

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
14,408,344.98

DUE DATE (For Current Amount)
2026-08-06

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 141
BILL GROUP	
BILL PAGE	1 OF 2

000070\000001\

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: (0860) 037566Shareca
FAX NO: 0862 437 566
E-MAIL: NorthernCape@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

YOUR ACCOUNT NO	**6940893537**
BILLING DATE	2026-07-07
TAX INVOICE NO	694349130010
ACCOUNT MONTH	JULY 2026
CURRENT DUE DATE	2026-08-06
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	1,600.00
UTILISED CAPACITY	1,600.00

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
LADISMITH
6655

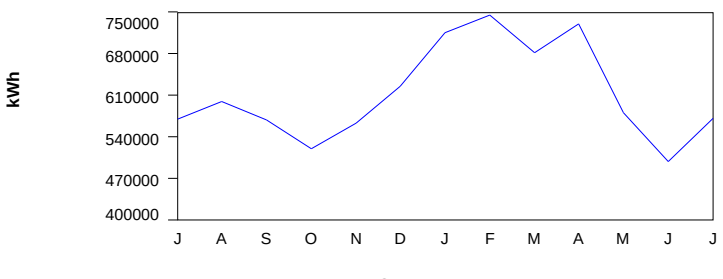
CONSUMPTION DETAILS (2026-06-06 - 2026-07-05)

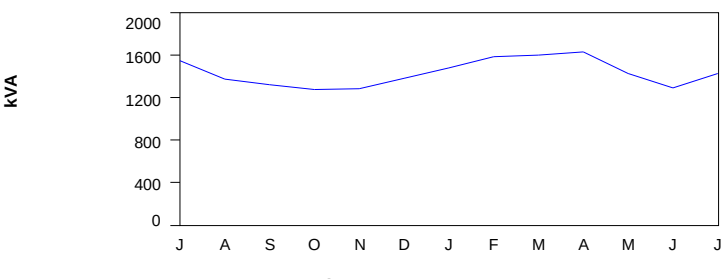
ENERGY CONSUMPTION OFF PEAK kWH	234,676.00
ENERGY CONSUMPTION STD kWh	243,292.36
ENERGY CONSUMPTION PEAK kWh	94,237.26
DEMAND CONSUMPTION - OFF PEAK	1,435.77
DEMAND CONSUMPTION - STD	1,245.65
DEMAND CONSUMPTION - PEAK	1,363.23
DEMAND READING - KW/KVA	1,435.77
REACTIVE ENERGY - OFF PEAK	110,381.79
REACTIVE ENERGY - STD	84,549.74
REACTIVE ENERGY - PEAK	28,195.97

PREMISE ID NUMBER 6940893530 **TARIFF NAME:** Municflex

MUNICIPALITY CALITZDORP 1/3214 INTERVAL

Administration Charge @ R19.96 per day for 30 days	R	598.80
TX Network Capacity Charge 1,600 kVa @ R10.75 : (for 25 of 30 days) = R8.9583333	R	14,333.33
TX Network Capacity Charge 1,600 kVa @ R11.72 : (for 5 of 30 days) = R1.9533333/	R	3,125.33
Network Capacity Charge 1,600 kVA @ R36.97 : (for 25 of 30 days) = R30.8083333/k	R	49,293.33
Network Capacity Charge 1,600 kVA @ R40.30 : (for 5 of 30 days) = R6.7166667/kVA	R	10,746.67
Network Demand Charge 1,363.24 kVA @ R24.67 : (for 25 of 30 days) = R20.5583333	R	28,025.94
Network Demand Charge 1,363.24 kVA @ R26.89 : (for 5 of 30 days) = R4.4816667 /k	R	6,109.59
Ancillary Service Charge 476,187 kWh @ R0.004 /kWh	R	1,904.75
Ancillary Service Charge 96,019 kWh @ R0.0044 /kWh	R	422.48
Generator Capacity Charge 1,600 kVa @ R7.71 : (for 25 of 30 days) = R6.425/kVA	R	10,280.00
Generator Capacity Charge 1,600 kVa @ R11.72 : (for 5 of 30 days) = R1.9533333/k	R	3,125.33
Legacy Charge 476,187.11 kWh @ R0.2259 /kWh	R	107,570.67
Legacy Charge 96,018.51 kWh @ R0.2463 /kWh	R	23,649.36
High Season Peak Energy Charge 79,344 kWh @ R6.9876 /kWh	R	554,424.13
High Season Off Peak Energy Charge 193,428 kWh @ R1.1647 /kWh	R	225,285.59
High Season Standard Energy Charge 203,415 kWh @ R1.7468 /kWh	R	355,325.32
High Season Off Peak Energy Charge 41,248 kWh @ R1.2606 /kWh	R	51,997.23
High Season Peak Energy Charge 14,894 kWh @ R7.5632 /kWh	R	112,646.30
High Season Standard Energy Charge 39,877 kWh @ R1.8907 /kWh	R	75,395.44
Service Charge @ R201.62 per day for 25 days	R	5,040.50
Service Charge @ R219.79 per day for 5 days	R	1,098.95
Electrification and Rural Subsidy 476,187 kWh @ R0.0502 /kWh	R	23,904.59
Electrification and Rural Subsidy 96,019 kWh @ R0.0547 /kWh	R	5,252.24
TOTAL CHARGES	R	**1,669,555.87**





PAGE RUN NO	EE 142
BILL GROUP	
BILL PAGE	2 OF 2

Eskom

WESTERN REGION
PO BOX 377 Bellville 7535

Eskom

CONTACT CENTRE: (0860) 037566Shareca
FAX NO: 0862 437 566
E-MAIL: NorthernCape@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
LADISMITH
6655

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2026-07-07
TAX INVOICE NO	705474412120
ACCOUNT MONTH	JULY 2026
CURRENT DUE DATE	2026-08-06
VAT REG NO	4540197268

CUSTOMER SELF SERVICE WEBSITE
https://csonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL

BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: zoe@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

FIXED CHARGE		R	25,465.00
ADMINISTRATION CHARGE		R	598.80
TRANSMISSION NETWORK CAPACITY		R	99,366.66
DIST. NETWORK CAPACITY CHARGE		R	164,833.33
NETWORK DEMAND CHARGE		R	47,014.02
URBAN LOW VOLTAGE SUBSIDY		R	22,633.33
ANCILLARY SERVICE (ALL)		R	8,697.31
GENERATOR CAPACITY CHARGE		R	70,200.00
LEGACY CHARGE (ALL)		R	492,778.35
ENERGY CHARGE (PEAK)	376,649.00	R	2,472,548.20
ENERGY CHARGE (OFF)	1,069,651.00	R	1,171,268.81
ENERGY CHARGE (STD)	871,012.00	R	1,430,424.33
SERVICE CHARGE		R	6,139.45
ELECTRIFICATION AND RURAL SUBS (ALL)		R	118,177.86
REACTIVE ENERGY	136,558.00	R	44,497.47
TOTAL CHARGES FOR BILLING PERIOD		R	**6,174,642.92**

ACCOUNT SUMMARY FOR JULY 2026

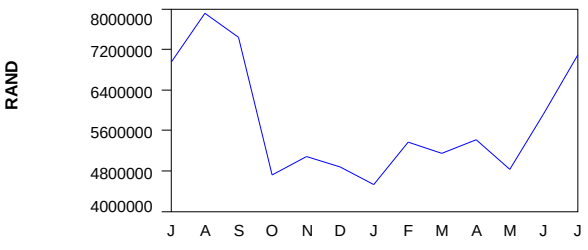
BALANCE BROUGHT FORWARD	(Due Date 2026-07-13)	R	86,078,518.34
PAYMENT(S) RECEIVED	Cash - 2026-06-29	R	-1,968,000.00
TOTAL CHARGES FOR BILLING PERIOD		R	6,174,642.92
ADJUSTMENT	Interest on overdue account	R	3,245.38
ADJUSTMENT	Interest on overdue account	R	90.32
ADJUSTMENT	Interest on overdue account	R	14,894.90
ADJUSTMENT	Interest on overdue account	R	518,675.98
VAT RAISED ON ITEMS AT 15%		R	926,196.44

CURRENT	TOTAL DUE	R	91,748,264.28
7,637,745.94			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
66,238,966.41	6,057,568.96	5,362,357.07	6,451,625.90

Total outstanding debt must be settled immediately, subject to disconnection without further notice



ACCOUNT NO / REFERENCE NO
7052108005

NAME
KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

unipay 7100 10 0010

27215700170521080058

>>>>>>> 9207 2705 2108 0051

PayIT One account global payment platform

easypay a better way to pay

TOTAL AMOUNT DUE

91,748,264.28

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
84,110,518.34

DUE DATE (For Current Amount)
2026-08-06

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

PAGE RUN NO	EE 151
BILL GROUP	
BILL PAGE	1 OF 3

000075\000001\

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: (0860) 037566Shareca
FAX NO: 0862 437 566
E-MAIL: NorthernCape@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

YOUR ACCOUNT NO	**7052108005**
BILLING DATE	2026-07-07
TAX INVOICE NO	705474412120
ACCOUNT MONTH	JULY 2026
CURRENT DUE DATE	2026-08-06
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	10,000.00
UTILISED CAPACITY	10,000.00

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
LADISMITH
6655

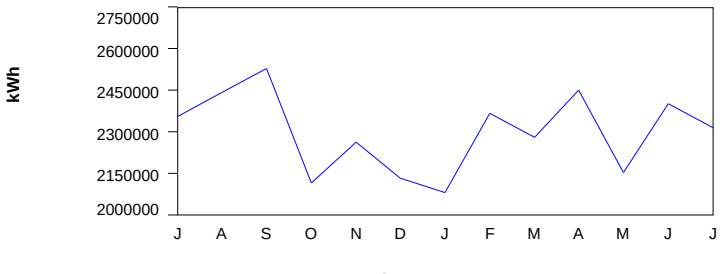
CONSUMPTION DETAILS (2026-06-06 - 2026-07-05)

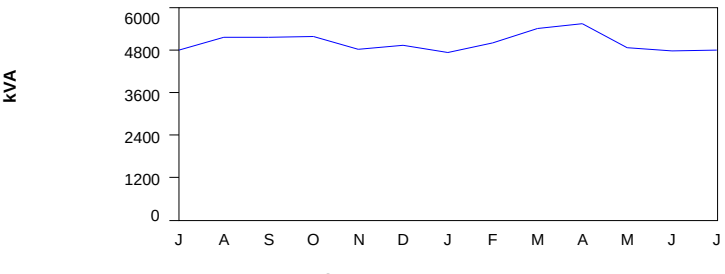
ENERGY CONSUMPTION OFF PEAK kWH	1,069,650.50
ENERGY CONSUMPTION STD kWh	871,011.50
ENERGY CONSUMPTION PEAK kWh	376,649.00
ENERGY CONSUMPTION ALL kWh	2,317,311.00
DEMAND CONSUMPTION - OFF PEAK	4,349.91
DEMAND CONSUMPTION - STD	4,740.70
DEMAND CONSUMPTION - PEAK	4,825.25
DEMAND READING - KW/KVA	4,825.25
REACTIVE ENERGY - OFF PEAK	496,790.00
REACTIVE ENERGY - STD	375,760.00
REACTIVE ENERGY - PEAK	135,096.50
EXCESS REACTIVE ENERGY	136,558.35

PREMISE ID NUMBER 7052108105 **TARIFF NAME:** Municflex

LADISMITH MUNISIPALITEIT 1/3225 REMOTE

Administration Charge @ R19.96 per day for 30 days	R	598.80
TX Network Capacity Charge 10,000 kVa @ R9.79 : (for 25 of 30 days) = R8.1583333	R	81,583.33
TX Network Capacity Charge 10,000 kVa @ R10.67 : (for 5 of 30 days) = R1.7783333	R	17,783.33
Network Capacity Charge 10,000 kVA @ R16.24 : (for 25 of 30 days) = R13.5333333/	R	135,333.33
Network Capacity Charge 10,000 kVA @ R17.70 : (for 5 of 30 days) = R2.95/kVA	R	29,500.00
Network Demand Charge 4,825.25 kVA @ R9.60 : (for 25 of 30 days) = R8.00 /kVA	R	38,602.00
Network Demand Charge 4,825.25 kVA @ R10.46 : (for 5 of 30 days) = R1.7433333 /k	R	8,412.02
Urban Low Voltage Subsidy 10,000 kVa @ R2.23 : (for 25 of 30 days) = R1.8583333/	R	18,583.33
Urban Low Voltage Subsidy 10,000 kVa @ R2.43 : (for 5 of 30 days) = R0.405/kVA	R	4,050.00
Ancillary Service Charge 1,906,456 kWh @ R0.0037 /kWh	R	7,053.89
Ancillary Service Charge 410,855 kWh @ R0.004 /kWh	R	1,643.42
Generator Capacity Charge 10,000 kVa @ R6.46 : (for 25 of 30 days) = R5.3833333/	R	53,833.33
Generator Capacity Charge 10,000 kVa @ R9.82 : (for 5 of 30 days) = R1.6366667/k	R	16,366.67
Legacy Charge 1,906,456 kWh @ R0.2093 /kWh	R	399,021.24
Legacy Charge 410,855 kWh @ R0.2282 /kWh	R	93,757.11
High Season Peak Energy Charge 312,889 kWh @ R6.4743 /kWh	R	2,025,737.25
High Season Off Peak Energy Charge 877,127 kWh @ R1.079 /kWh	R	946,420.03
High Season Standard Energy Charge 716,441 kWh @ R1.6186 /kWh	R	1,159,631.40
High Season Off Peak Energy Charge 192,524 kWh @ R1.1679 /kWh	R	224,848.78
High Season Peak Energy Charge 63,760 kWh @ R7.0077 /kWh	R	446,810.95
High Season Standard Energy Charge 154,571 kWh @ R1.7519 /kWh	R	270,792.93
Service Charge @ R201.62 per day for 25 days	R	5,040.50
Service Charge @ R219.79 per day for 5 days	R	1,098.95





PAGE RUN NO	EE 152
BILL GROUP	
BILL PAGE	2 OF 3

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: (0860) 037566Shareca
FAX NO: 0862 437 566
E-MAIL: NorthernCape@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

YOUR ACCOUNT NO	**7052108005**
BILLING DATE	2026-07-07
TAX INVOICE NO	705474412120
ACCOUNT MONTH	JULY 2026
CURRENT DUE DATE	2026-08-06
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	10,000.00
UTILISED CAPACITY	10,000.00

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
LADISMITH
6655

PREMISE ID NUMBER 7052108105 **TARIFF NAME:** Municflex

LADISMITH MUNISIPALITEIT 1/3225 REMOTE

Electrification and Rural Subsidy 1,906,456 kWh @ R0.0502 /kWh	R	95,704.09
Electrification and Rural Subsidy 410,855 kWh @ R0.0547 /kWh	R	22,473.77
High Season Reactive energy Charge 118,427 kvarh @ R0.322 /kvarh	R	38,133.49
High Season Reactive energy Charge 18,131 kvarh @ R0.351 /kvarh	R	6,363.98
Fixed Charge @ R25,465.00	R	25,465.00
TOTAL CHARGES	R	**6,174,642.92**

PAGE RUN NO	EE 153
BILL GROUP	
BILL PAGE	3 OF 3

Calitzdorp Besproeiïngsraad

Tel: 0440040172/ 0764738011 Email: calitzdorpwater@mdwireless.co.za
BTW/VAT Reg: 4260157971

BELASTINGFAKTUUR

Munisipale Bestuurder
Kannaland Munisipaliteit
Posbus 30
LADISMITH
6655

BTW Nr 4540197268

Faktuur Nr: 28
Datum: 05 July 2026

MUNISIPALE WATERVERBRUIK – CALITZDORP: June 2026

Sub Oorverbruik

Maand			**Jun-26**
Meterlesing einde	Jun-26		9119627
Meterlesing begin	Jun-26		9115386
Ontrek	kl		42410
Dae @ 455 kl per dag toelaag	30		13650
	kl		28760
Min Pyplyn	kl		3390
Oorverbruik	kl		25370
0-26000 kl tarief @ 1.20kl	25370	R	30 444.00
26000-36000kl @ 2.43kl	0	R	-
36000-46000 @4.06/5kl	0	R	-
56 000 en meer tarief		R	-
Sub Oorverbruik		R	-
Plus 15% BTW		R	4 566.60
Totaal verskuldig		**R**	**35 010.60**

Glyskaal met ingang 2025		
Dae		30
Toegelaat per dag - kl		455
0 - 26000 kl tarief	R	1.15
26000 - 36000 kl tarief	R	2.32
36000 - 46000 kl tarief	R	3.87
46000 - 56000 kl tarief	R	7.73
56 000 kl en meer tarief	R	15.47

Beurt teruggegee formule		
1 cusec = 101.96 m3		101.96
Stroomsterkte cusek/uur		6.18
Ure teruggegee		0
Kl = Ure teruggegee x 101.96m3 x stroomsterkte	kl	0

Bankbesonderhede:
Naam: Calitzdorp Besproeiïngsraad
Bank: Standard Bank
Tak: Calitzdorp 050014
Rek Nr: 280110022

Terme:

1. Betaalbaar binne dertig (30) dae vanaf datum van rekening.
2. Betalings mag nie weerhou word totdat ‘n geskil besleg is nie.
3. Rente teen 16% word gehef op rekeninge ouer as 30 dae.
4. Versuim om huidige faktuur binne dertig dae vanaf datum van faktuur te betaal sal meebring dat watervoorsiening 2 dae na sperdatum outomaties verminder word tot slegs die toegelate gratis 455kl water per dag tot volle vereffening van faktuur.

Calitzdorp Besproeiïngsraad

Tel: 0440040172/ 0764738011 Email: calitzdorpwater@mdwireless.co.za
BTW/VAT Reg: 4260157971

BELASTINGFAKTUUR

Munisipale Bestuurder
Kannaland Munisipaliteit
Posbus 30
LADISMITH
6655

BTW Nr 4540197268

Faktuur Nr: 29
Datum: 05 August 2026

MUNISIPALE WATERVERBRUIK – CALITZDORP: JULY 2026

Sub Oorverbruik

Maand			**Jul-26**
Meterlesing einde	Jul-26		9231700
Meterlesing begin	Jul-26		9196270
Ontrek	kl		35430
Dae @ 455 kl per dag toelaag	31		14105
	kl		21325
Min Pyplyn	kl		4047
Oorverbruik	kl		17278
0-26000 kl tarief @ 1.20kl	17278	R	20 733.60
26000-36000kl @ 2.43kl	0	R	-
36000-46000 @4.06/5kl	0	R	-
56 000 en meer tarief		R	-
Sub Oorverbruik		R	-
Plus 15% BTW		R	3 110.04
Totaal verskuldig		**R**	**23 843.64**

Glyskaal met ingang 2025		
Dae		31
Toegelaat per dag - kl		455
0 - 26000 kl tarief	R	1.15
26000 - 36000 kl tarief	R	2.32
36000 - 46000 kl tarief	R	3.87
46000 - 56000 kl tarief	R	7.73
56 000 kl en meer tarief	R	15.47

Beurt teruggegee formule		
1 cusec = 101.96 m3		101.96
Stroomsterkte cusek/uur		6.18
Ure teruggegee		0
Kl = Ure teruggegee x 101.96m3 x stroomsterkte	kl	0

Bankbesonderhede:
Naam: Calitzdorp Besproeiïngsraad
Bank: Standard Bank
Tak: Calitzdorp 050014
Rek Nr: 280110022

Terme:
1. Betaalbaar binne dertig (30) dae vanaf datum van rekening.
2. Betalings mag nie weerhou word totdat ‘n geskil besleg is nie.
3. Rente teen 16% word gehef op rekeninge ouer as 30 dae.
4. Versuim om huidige faktuur binne dertig dae vanaf datum van faktuur te betaal sal meebring dat watervoorsiening 2 dae na sperdatum outomaties verminder word tot slegs die toegelate gratis 455kl water per dag tot volle vereffening van faktuur.

Standard Bank of South Africa

ComputerGeneratedCopy

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	**User Name**	KANNALAND MUNICIPALITY
Sub Module	SSVS	**Reference**	2026211004
Description	LJT64 20260730 12:45:55.1	**Action date**	20260730
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX68 CM CLAASEN (A)

Sub-batch 001 **From Account no** 0000420543546 **From Account Name** KANNALAND MUNICIPALITY (MAIN)

Trans No	1
Acc No / CDI	280110022
Branch No	50014
Statement Ref	KANNALAND MUN
Account Name	CALITZDORP BESPROEINGSRAAD
Creditor Code	CALITZDORP BESPR
Amount	35,010.60
StatusDescription	FINAL AUDIT TO BE DOWNLOADED
RTGS/RTC	
ISN/Bus Ref	0
Pay Alert	N

Standard Bank of South Africa

ComputerGeneratedCopy

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Totals for Sub Batch	001		
Total amount processed	35,010.60		
Total amount rejected	0.00		
Total Sub Batch amount	35,010.60		
Total RTGS Processed	0	**Amount**	0.00
Total RTC Processed	0	**Amount**	0.00
Total RTGS Rejected	0	**Amount**	0.00
Total RTC Rejected	0	**Amount**	0.00
Hash Total	980681993623320		
Total Batch amount processed	35,010.60		
Total Batch amount rejected	0.00		
Total Batch amount	35,010.60		

Total RTGS Processed	0	**Amount:**	0.00
Total RTC Processed	0	**Amount:**	0.00
Total RTGS Rejected	0	**Amount:**	0.00
Total RTC Rejected	0	**Amount:**	0.00

*** DISCLAIMER ***

Make sure that you have entered the correct account number as we will pay to, or collect from, the account number you entered. Banks do not check that the specified account number and account name match. Accordingly, Standard Bank cannot be held responsible for payments going to, or collections being taken from, an incorrect account number should incorrect or fraudulent account details be entered. If you would like more information, speak to your Standard Bank representative about our account verification services.

** END OF REPORT **

Standard Bank of South Africa

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

Computer Generated Copy

CURRENT ACCOUNT - STATEMENT DETAILS

Account	0000420543546	KANNALAND MUNICIPALI	**Statement For**	20260730	**VAT Registration**	4540197268
Branch	000113	LADISMITH CAPE	**Statement No**	051		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260729	39,970.56
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS KU2 Z 0000635219639	0.00	0.00	3,303.00	20260729	43,273.56
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS PLC 9 0008133109577	0.00	0.00	7,485.10	20260729	50,758.66
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS EY4 U 0005573109453	0.00	0.00	11,189.00	20260729	61,947.66
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS R3G 5 0004313109682	0.00	0.00	11,256.71	20260729	73,204.37
1	CREDIT TRANSFER 14185357 JULY 2026	0.00	0.00	251.80	20260730	73,456.17
1	CREDIT TRANSFER VDV BOERDERY	0.00	0.00	5,821.60	20260730	79,277.77
1	ELECTRONIC BANKING TRANSFER FR TRF MIG RETENSIE	0.00	0.00	13,188.75	20260730	92,466.52
1	ELECTRONIC BANKING TRANSFER FR TRF MIG RETENSIE	0.00	0.00	118,698.75	20260730	211,165.27
1	ELECTRONIC BANKING TRANSFER FR TRF TO MAIN	0.00	0.00	600,000.00	20260730	811,165.27
1	ELECTRONIC BANKING PAYMENT TO LINKS LINKS DERRICK GAV5314:28	0.00	-456.30	0.00	20260730	810,708.97
1	ELECTRONIC BANKING PAYMENT TO JONKE JONKER J GAV5314:28	0.00	-5,657.04	0.00	20260730	805,051.93
1	ELECTRONIC BANKING PAYMENT TO CALIT CALITZDORP BE GAV5314:28	0.00	-35,010.60	0.00	20260730	770,041.33
1	ELECTRONIC BANKING PAYMENT TO KAYAL KAYALIHLE TRA GAV5314:28	0.00	-131,887.50	0.00	20260730	638,153.83
1	ELECTRONIC BANKING PAYMENT TO A23 ARTHURS WORKS GAV5314:27	0.00	-210,100.00	0.00	20260730	428,053.83

** END OF REPORT **

Standard Bank of South Africa

ComputerGeneratedCopy

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	**User Name**	KANNALAND MUNICIPALITY
Sub Module	SSVS	**Reference**	2026226005
Description	LJT64 20260814 08:51:27.3	**Action date**	20260814
Finalreleasingoperators	RVX68 CM CLAASEN (A)		GAV53 M SCHEFFERS

Sub-batch 001 **From Account no** 0000420543546 **From Account Name** KANNALAND MUNICIPALITY (MAIN)

Trans No	1
Acc No / CDI	55161636814
Branch No	200910
Statement Ref	7052108005
Account Name	ESKOM HOLDINGS WC REGION
Creditor Code	ESKOM NEW
Amount	2,500,000.00
StatusDescription	FINAL AUDIT TO BE DOWNLOADED
RTGS/RTC	
ISN/Bus Ref	0
Pay Alert	N

Standard Bank of South Africa

ComputerGeneratedCopy

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	**User Name**	KANNALAND MUNICIPALITY
Sub Module	SSVS	**Reference**	2026226005
Description	LJT64 20260814 08:51:27.3	**Action date**	20260814
Finalreleasingoperators	RVX68 CM CLAASEN (A)		GAV53 M SCHEFFERS

Sub-batch 001 **From Account no** 0000420543546 **From Account Name** KANNALAND MUNICIPALITY (MAIN)

Trans No	2
Acc No / CDI	55161636814
Branch No	200910
Statement Ref	6940893537
Account Name	ESKOM HOLDINGS WC REGION
Creditor Code	ESKOM NEW
Amount	2,500,000.00
StatusDescription	FINAL AUDIT TO BE DOWNLOADED
RTGS/RTC	
ISN/Bus Ref	0
Pay Alert	N

Standard Bank of South Africa

ComputerGeneratedCopy

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Totals for Sub Batch	001		
Total amount processed	5,000,000.00		
Total amount rejected	0.00		
Total Sub Batch amount	5,000,000.00		
Total RTGS Processed	0	**Amount**	0.00
Total RTC Processed	0	**Amount**	0.00
Total RTGS Rejected	0	**Amount**	0.00
Total RTC Rejected	0	**Amount**	0.00
Hash Total	27580818407000000000		
Total Batch amount processed	5,000,000.00		
Total Batch amount rejected	0.00		
Total Batch amount	5,000,000.00		

Total RTGS Processed	0	**Amount:**	0.00
Total RTC Processed	0	**Amount:**	0.00
Total RTGS Rejected	0	**Amount:**	0.00
Total RTC Rejected	0	**Amount:**	0.00

*** DISCLAIMER ***

Make sure that you have entered the correct account number as we will pay to, or collect from, the account number you entered. Banks do not check that the specified account number and account name match. Accordingly, Standard Bank cannot be held responsible for payments going to, or collections being taken from, an incorrect account number should incorrect or fraudulent account details be entered. If you would like more information, speak to your Standard Bank representative about our account verification services.

** END OF REPORT **

Standard Bank of South Africa

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

Computer Generated Copy

CURRENT ACCOUNT - STATEMENT DETAILS

Account	0000420543546	KANNALAND MUNICIPALI	**Statement For**	20260710	**VAT Registration**	4540197268
Branch	000113	LADISMITH CAPE	**Statement No**	034		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260709	17,885,914.32
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS KU2 Z 0000505219639	0.00	0.00	187.00	20260709	17,886,101.32
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS R3G 5 0004183109682	0.00	0.00	344.20	20260709	17,886,445.52
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS KU2 Z 0000505219639	0.00	0.00	1,481.00	20260709	17,887,926.52
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS PLC 9 0008003109577	0.00	0.00	2,886.70	20260709	17,890,813.22
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS PLC 9 0008003109577	0.00	0.00	4,284.00	20260709	17,895,097.22
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS R3G 5 0004183109682	0.00	0.00	4,437.30	20260709	17,899,534.52
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS EY4 U 0005443109453	0.00	0.00	12,269.00	20260709	17,911,803.52
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS EY4 U 0005433109453	0.00	0.00	68,968.50	20260709	17,980,772.02
1	FEE: CASH DEPOSIT - COINS ## 420543546 R16662,00 09/07	0.00	-0.01	0.00	20260709	17,980,772.01
1	FEE: CASH DEPOSIT - COINS ## 420543546 R2091,40 09/07	0.00	-0.01	0.00	20260709	17,980,772.00
1	FEE: CASH DEPOSIT - COINS ## 420543546 R3372,00 09/07	0.00	-0.01	0.00	20260709	17,980,771.99
1	FEE: CASH DEPOSIT - COINS ## 420543546 R3412,60 09/07	0.00	-0.01	0.00	20260709	17,980,771.98
1	FEE: CASH DEPOSIT - COINS ## 420543546 R9432,50 09/07	0.00	-0.01	0.00	20260709	17,980,771.97
1	FEE: CASH DEPOSIT - COINS ## 420543546 R11323,20 09/07	0.00	-0.02	0.00	20260709	17,980,771.95
1	FEE: CASH DEPOSIT - COINS ## 420543546 R1633,00 09/07	0.00	-0.02	0.00	20260709	17,980,771.93
1	FEE: CASH DEPOSIT - COINS ## 420543546 R2263,00 09/07	0.00	-0.02	0.00	20260709	17,980,771.91
1	FEE: CASH DEPOSIT - COINS ## 420543546 R3334,20 09/07	0.00	-0.02	0.00	20260709	17,980,771.89
1	FEE: CASH DEPOSIT - COINS ## 420543546 R4404,00 09/07	0.00	-0.02	0.00	20260709	17,980,771.87
1	FEE: CASH DEPOSIT - COINS ## 420543546 R9733,00 09/07	0.00	-0.02	0.00	20260709	17,980,771.85
2	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260709	17,980,771.85
2	FEE: CASH DEPOSIT - COINS ## 420543546 R11855,50 09/07	0.00	-0.03	0.00	20260709	17,980,771.82
2	FEE: CASH DEPOSIT - COINS ## 420543546 R5115,90 09/07	0.00	-0.03	0.00	20260709	17,980,771.79
2	FEE: CASH DEPOSIT - COINS ## 420543546 R3178,00 09/07	0.00	-0.04	0.00	20260709	17,980,771.75
2	FEE: CASH DEPOSIT - COINS ## 420543546 R16119,50 09/07	0.00	-0.05	0.00	20260709	17,980,771.70
2	FEE: CASH DEPOSIT - COINS ## 420543546 R3148,80 09/07	0.00	-0.05	0.00	20260709	17,980,771.65
2	FEE: CASH DEPOSIT - COINS ## 420543546 R3818,30 09/07	0.00	-0.05	0.00	20260709	17,980,771.60
2	FEE: CASH DEPOSIT - COINS ## 420543546 R5409,40 09/07	0.00	-0.05	0.00	20260709	17,980,771.55
2	FEE: CASH DEPOSIT - COINS ## 420543546 R8388,50 09/07	0.00	-0.05	0.00	20260709	17,980,771.50
2	FEE: CASH DEPOSIT - COINS ## 420543546 R570,00 09/07	0.00	-0.11	0.00	20260709	17,980,771.39
2	FEE: CASH DEPOSIT - COINS ## 420543546 R1377,10 09/07	0.00	-0.38	0.00	20260709	17,980,771.01
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R570,00 09/07	0.00	-3.09	0.00	20260709	17,980,767.92
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1377,10 09/07	0.00	-7.36	0.00	20260709	17,980,760.56
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1633,00 09/07	0.00	-9.16	0.00	20260709	17,980,751.40
2	FEE: CASH DEPOSIT - NOTES ##	0.00	-11.75	0.00	20260709	17,980,739.65

CURRENT ACCOUNT - STATEMENT DETAILS

Page	Details	Service Fee	Debit	Credit	Date	Balance
	420543546 R2091,40 09/07					
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R2263,00 09/07	0.00	-12.70	0.00	20260709	17,980,726.95
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R2450,00 09/07	0.00	-13.77	0.00	20260709	17,980,713.18
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R3148,80 09/07	0.00	-17.65	0.00	20260709	17,980,695.53
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R3178,00 09/07	0.00	-17.82	0.00	20260709	17,980,677.71
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R3334,20 09/07	0.00	-18.71	0.00	20260709	17,980,659.00
3	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260709	17,980,659.00
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R3372,00 09/07	0.00	-18.94	0.00	20260709	17,980,640.06
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R3412,60 09/07	0.00	-19.16	0.00	20260709	17,980,620.90
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R3818,30 09/07	0.00	-21.41	0.00	20260709	17,980,599.49
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R4404,00 09/07	0.00	-24.73	0.00	20260709	17,980,574.76
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R5115,90 09/07	0.00	-28.72	0.00	20260709	17,980,546.04
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R5409,40 09/07	0.00	-30.35	0.00	20260709	17,980,515.69
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R8388,50 09/07	0.00	-47.10	0.00	20260709	17,980,468.59
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R8800,00 09/07	0.00	-49.46	0.00	20260709	17,980,419.13
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R9432,50 09/07	0.00	-53.00	0.00	20260709	17,980,366.13
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R9733,00 09/07	0.00	-54.68	0.00	20260709	17,980,311.45
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R11323,20 09/07	0.00	-63.62	0.00	20260709	17,980,247.83
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R11855,50 09/07	0.00	-66.60	0.00	20260709	17,980,181.23
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R16119,50 09/07	0.00	-90.54	0.00	20260709	17,980,090.69
3	FEE: CASH DEPOSIT - NOTES ## 420543546 R16662,00 09/07	0.00	-93.63	0.00	20260709	17,979,997.06
3	AUTOBANK CASH DEPOSIT CBLMOTORS 20260703 A187	0.00	0.00	2,190.00	20260710	17,982,187.06
3	ELECTRONIC BANKING PAYMENT FR KLOKKIES VERVOER	0.00	0.00	19,956.00	20260710	18,002,143.06
3	ELECTRONIC BANKING TRANSFER FR TRF MIG PAYMENTS	0.00	0.00	248,972.25	20260710	18,251,115.31
3	ELECTRONIC BANKING PAYMENT TO HESKW HESKWA GEORGE GAV5313:05	0.00	-161.00	0.00	20260710	18,250,954.31
3	ELECTRONIC BANKING PAYMENT TO LINKS LINKS DERRICK GAV5313:05	0.00	-601.34	0.00	20260710	18,250,352.97
4	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260710	18,250,352.97
4	ELECTRONIC BANKING PAYMENT TO MAY D MAY DIANNE RVX6813:05	0.00	-635.40	0.00	20260710	18,249,717.57
4	ELECTRONIC BANKING PAYMENT TO DEO V DEO VOLENTA N GAV5313:05	0.00	-820.00	0.00	20260710	18,248,897.57
4	ELECTRONIC BANKING PAYMENT TO HUNGR HUNGRY MOMENT GAV5313:05	0.00	-900.00	0.00	20260710	18,247,997.57
4	ELECTRONIC BANKING PAYMENT TO MOUNT MOUNTAIN VIEW GAV5313:05	0.00	-1,161.50	0.00	20260710	18,246,836.07
4	ELECTRONIC BANKING PAYMENT TO SAAYM SAAYMAN JAKOB RVX6813:05	0.00	-1,217.23	0.00	20260710	18,245,618.84
4	ELECTRONIC BANKING PAYMENT TO TOWN TOWN LODGE MI RVX6813:05	0.00	-3,870.00	0.00	20260710	18,241,748.84
4	ELECTRONIC BANKING PAYMENT TO STEEN STEENKAMP LUC GAV5313:05	0.00	-4,138.74	0.00	20260710	18,237,610.10
4	ELECTRONIC BANKING PAYMENT TO C19 CBL HARDEWARE GAV5313:05	0.00	-4,142.36	0.00	20260710	18,233,467.74
4	ELECTRONIC BANKING PAYMENT TO JONKE JONKER J GAV5313:05	0.00	-4,172.94	0.00	20260710	18,229,294.80
4	ELECTRONIC BANKING PAYMENT TO TYRES TYRES & TREAD GAV5313:05	0.00	-5,800.00	0.00	20260710	18,223,494.80
4	ELECTRONIC BANKING PAYMENT TO JOHAN JOHANNES KJ(1 GAV5313:05	0.00	-6,383.00	0.00	20260710	18,217,111.80
4	ELECTRONIC BANKING PAYMENT TO SAICE SAICE GAV5313:05	0.00	-6,527.00	0.00	20260710	18,210,584.80

Standard Bank of South Africa

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

Computer Generated Copy

CURRENT ACCOUNT - STATEMENT DETAILS

Page	Details	Service Fee	Debit	Credit	Date	Balance
4	ELECTRONIC BANKING PAYMENT TO ECSA ENGINEERING C RVX6813:05	0.00	-7,260.00	0.00	20260710	18,203,324.80
4	ELECTRONIC BANKING PAYMENT TO ALPHO ALPHONIX GAV5313:05	0.00	-10,147.00	0.00	20260710	18,193,177.80
4	ELECTRONIC BANKING PAYMENT TO M2 MEDIA 24 BEPE GAV5313:05	0.00	-16,711.80	0.00	20260710	18,176,466.00
4	ELECTRONIC BANKING PAYMENT TO BIDVE BIDVEST WALTO GAV5313:05	0.00	-17,428.25	0.00	20260710	18,159,037.75
4	ELECTRONIC BANKING PAYMENT TO A.L A A.L ABBOTT & GAV5313:05	0.00	-23,375.67	0.00	20260710	18,135,662.08
4	ELECTRONIC BANKING PAYMENT TO C014 CAB HOLDINGS GAV5313:05	0.00	-50,275.10	0.00	20260710	18,085,386.98
4	ELECTRONIC BANKING PAYMENT TO FLAGG FLAGGAC CONSU RVX6813:05	0.00	-79,045.00	0.00	20260710	18,006,341.98
5	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260710	18,006,341.98
5	ELECTRONIC BANKING PAYMENT TO BLOEM BLOEMHOF ELEC RVX6813:05	0.00	-142,711.09	0.00	20260710	17,863,630.89
5	ELECTRONIC BANKING PAYMENT TO DITLO DITLOU EASY A GAV5313:05	0.00	-151,119.12	0.00	20260710	17,712,511.77
5	ELECTRONIC BANKING PAYMENT TO INNOV INNOVATION GO GAV5313:05	0.00	-266,144.50	0.00	20260710	17,446,367.27
5	ELECTRONIC BANKING PAYMENT TO METSI METSI CHEM IK GAV5313:05	0.00	-419,083.00	0.00	20260710	17,027,284.27
5	ELECTRONIC BANKING PAYMENT TO DUCHA DUCHARME ASSE GAV5313:05	0.00	-494,417.33	0.00	20260710	16,532,866.94
5	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5313:05	0.00	-5,000,000.00	0.00	20260710	11,532,866.94
5	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5313:05	0.00	-5,000,000.00	0.00	20260710	6,532,866.94
5	ELECTRONIC BANKING TRANSFER TO TRANSPORT REC *	0.00	-60,661.40	0.00	20260710	6,472,205.54

** END OF REPORT **

Standard Bank of South Africa

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

Computer Generated Copy

CURRENT ACCOUNT - STATEMENT DETAILS

Account	0000420543546	KANNALAND MUNICIPALI	**Statement For**	20260814	**VAT Registration**	4540197268
Branch	000113	LADISMITH CAPE	**Statement No**	063		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260813	557,005.15
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS PLC 9 0008213109577	0.00	0.00	1,626.00	20260813	558,631.15
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS PLC 9 0008223109577	0.00	0.00	2,015.00	20260813	560,646.15
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS KU2 Z 0000735219639	0.00	0.00	2,220.00	20260813	562,866.15
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS R3G 5 0004413109682	0.00	0.00	3,442.60	20260813	566,308.75
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS EY4 U 0005663109453	0.00	0.00	3,478.00	20260813	569,786.75
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS PLC 9 0008223109577	0.00	0.00	8,623.20	20260813	578,409.95
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS PLC 9 0008213109577	0.00	0.00	34,181.00	20260813	612,590.95
1	FEE: CASH DEPOSIT - COINS ## 420543546 R1172,00 13/08	0.00	-0.01	0.00	20260813	612,590.94
1	FEE: CASH DEPOSIT - COINS ## 420543546 R1621,20 13/08	0.00	-0.01	0.00	20260813	612,590.93
1	FEE: CASH DEPOSIT - COINS ## 420543546 R4652,40 13/08	0.00	-0.01	0.00	20260813	612,590.92
1	FEE: CASH DEPOSIT - COINS ## 420543546 R492,00 13/08	0.00	-0.01	0.00	20260813	612,590.91
1	FEE: CASH DEPOSIT - COINS ## 420543546 R5763,40 13/08	0.00	-0.02	0.00	20260813	612,590.89
1	FEE: CASH DEPOSIT - COINS ## 420543546 R984,00 13/08	0.00	-0.02	0.00	20260813	612,590.87
1	FEE: CASH DEPOSIT - COINS ## 420543546 R2375,10 13/08	0.00	-0.03	0.00	20260813	612,590.84
1	FEE: CASH DEPOSIT - COINS ## 420543546 R3026,80 13/08	0.00	-0.04	0.00	20260813	612,590.80
1	FEE: CASH DEPOSIT - COINS ## 420543546 R557,00 13/08	0.00	-0.04	0.00	20260813	612,590.76
1	FEE: CASH DEPOSIT - COINS ## 420543546 R887,80 13/08	0.00	-0.04	0.00	20260813	612,590.72
1	FEE: CASH DEPOSIT - COINS ## 420543546 R11069,00 13/08	0.00	-0.05	0.00	20260813	612,590.67
1	FEE: CASH DEPOSIT - COINS ## 420543546 R13028,20 13/08	0.00	-0.05	0.00	20260813	612,590.62
2	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260813	612,590.62
2	FEE: CASH DEPOSIT - COINS ## 420543546 R1789,20 13/08	0.00	-0.05	0.00	20260813	612,590.57
2	FEE: CASH DEPOSIT - COINS ## 420543546 R1949,20 13/08	0.00	-0.05	0.00	20260813	612,590.52
2	FEE: CASH DEPOSIT - COINS ## 420543546 R8658,40 13/08	0.00	-0.05	0.00	20260813	612,590.47
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R492,00 13/08	0.00	-2.75	0.00	20260813	612,587.72
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R557,00 13/08	0.00	-3.09	0.00	20260813	612,584.63
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R887,80 13/08	0.00	-4.95	0.00	20260813	612,579.68
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R984,00 13/08	0.00	-5.51	0.00	20260813	612,574.17
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1000,00 13/08	0.00	-5.62	0.00	20260813	612,568.55
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1172,00 13/08	0.00	-6.58	0.00	20260813	612,561.97
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1621,20 13/08	0.00	-9.10	0.00	20260813	612,552.87
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1789,20 13/08	0.00	-10.00	0.00	20260813	612,542.87
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R1949,20 13/08	0.00	-10.90	0.00	20260813	612,531.97
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R2375,10 13/08	0.00	-13.32	0.00	20260813	612,518.65
2	FEE: CASH DEPOSIT - NOTES ##	0.00	-16.97	0.00	20260813	612,501.68

CURRENT ACCOUNT - STATEMENT DETAILS

Page	Details	Service Fee	Debit	Credit	Date	Balance
	420543546 R3026,80 13/08					
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R4652,40 13/08	0.00	-26.13	0.00	20260813	612,475.55
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R5763,40 13/08	0.00	-32.37	0.00	20260813	612,443.18
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R8658,40 13/08	0.00	-48.61	0.00	20260813	612,394.57
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R11069,00 13/08	0.00	-62.16	0.00	20260813	612,332.41
2	FEE: CASH DEPOSIT - NOTES ## 420543546 R13028,20 13/08	0.00	-73.17	0.00	20260813	612,259.24
3	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20260814	612,259.24
3	MAGTAPE CREDIT SMART MUNIC WALLET	0.00	0.00	12,700.00	20260814	624,959.24
3	MAGTAPE CREDIT SMART MUNIC COLLECTI	0.00	0.00	516,411.40	20260814	1,141,370.64
3	BOLSA THIRD PARTY PAYMENT LADISMITH LDSKAAS	0.00	0.00	39,996.00	20260814	1,181,366.64
3	ELECTRONIC BANKING TRANSFER FR TRANSPORT PAYMENT	0.00	0.00	449,035.72	20260814	1,630,402.36
3	ELECTRONIC BANKING TRANSFER FR DEP TO MAIN	0.00	0.00	5,000,000.00	20260814	6,630,402.36
3	ELECTRONIC BANKING PAYMENT TO KLEIN KLEIN KAROO A GAV5312:57	0.00	-885.00	0.00	20260814	6,629,517.36
3	ELECTRONIC BANKING PAYMENT TO ROOI ROOI BRENTON GAV5312:57	0.00	-1,595.58	0.00	20260814	6,627,921.78
3	ELECTRONIC BANKING PAYMENT TO D64 DEPARTEMENT V GAV5308:56	0.00	-8,568.00	0.00	20260814	6,619,353.78
3	ELECTRONIC BANKING PAYMENT TO D64 DEPARTEMENT V GAV5308:56	0.00	-11,880.00	0.00	20260814	6,607,473.78
3	ELECTRONIC BANKING PAYMENT TO VALST VALSTA S SPEC RVX6813:26	0.00	-115,000.00	0.00	20260814	6,492,473.78
3	ELECTRONIC BANKING PAYMENT TO D64 DEPARTEMENT V GAV5308:56	0.00	-168,248.32	0.00	20260814	6,324,225.46
3	ELECTRONIC BANKING PAYMENT TO D64 DEPARTEMENT V GAV5308:56	0.00	-260,339.40	0.00	20260814	6,063,886.06
3	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVX6809:00	0.00	-2,500,000.00	0.00	20260814	3,563,886.06
3	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVX6809:00	0.00	-2,500,000.00	0.00	20260814	1,063,886.06
3	ACCOUNT PAYMENT OMSUREPREM701128850-0054600470	20.00	-6,865.42	0.00	20260814	1,057,020.64
3	ACCOUNT PAYMENT OMSUREPREM701096339-0054600469	20.00	-51,513.64	0.00	20260814	1,005,507.00
3	ELECTRONIC BANKING TRANSFER TO TRANSOPORT REC *	0.00	-52,138.90	0.00	20260814	953,368.10

** END OF REPORT **